



Infrastructure and Planning Committee

Te Komiti Whakarite Mahere

Thursday, 10 April 2025

Tāite, 10 Paengawhāwhā 2025

Tōtara Room, Whakatāne District Council
14 Commerce Street, Whakatāne
Commencing at 9:00 am



Chief Executive: Steven Perdia | Publication Date: 4 April 2025

whakatane.govt.nz

Live Streaming the Meeting - *Ka whakapāho mataora te hui***Live Streaming the Meeting - *Ka whakapāho mataora te hui*****PLEASE NOTE**

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The live stream link will be available via Council's website.

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A Membership - *Mematanga*

A Membership - *Mematanga*

Mayor Dr Victor Luca
Councillor John Pullar - Chairperson
Deputy Mayor Lesley Immink
Councillor Andrew Iles - Deputy Chairperson
Councillor Toni Boynton
Councillor Julie Jukes
Councillor Gavin Dennis
Councillor Wilson James
Councillor Tu O'Brien
Councillor Ngapera Rangiaho
Councillor Nándor Tánczos

B Delegations to the Infrastructure and Planning Standing Committee - *Tuku Mahi ki te Komiti***B Delegations to the Infrastructure and Planning Standing Committee - *Tuku Mahi ki te Komiti***

To monitor and advise on the implementation of Council's Infrastructure Strategy, capital works programme, operational service delivery, and related policy and bylaws.

Specific functions and delegations:

- a. Monitor the operational performance of Council's activities and services against approved levels of service.
- b. To monitor the progress of projects in Council's capital works programme and have input into and make decisions on the development of proposals, options and costs of projects.
- c. Approval of tenders and contracts that exceed the level of staff delegations.
- d. Consider and approve changes to service delivery arrangements arising from the service delivery reviews required under section 17A LGA 2002 that are referred to the Committee by the Chief Executive.
- e. Monitor the development and implementation of associated Central Government Reform programmes including the transition programme for Three Waters reform.
- f. Develop and review associated bylaws (Note: the Council cannot delegate to a Committee to "make" (adopt) a bylaw).
- g. Develop, review and approve strategies, policies and plans on matters related to the activities of this Committee (Note: the Council cannot delegate to a Committee the adoption of policies associated with the Long-term Plan).
- h. Approve Council submissions to Central Government, Councils and other organisations including submissions to any plan changes or policy statements on matters related to the activities of this Committee.

TABLE OF CONTENTS

1	Prayer - <i>Karakia</i>	8
2	Meeting Notices - <i>Ngā Pānui o te hui</i>	8
3	Apologies - <i>Te hunga kāore i tae</i>	8
4	Acknowledgements / Tributes - <i>Ngā mihimihi</i>	8
5	Conflicts of Interest - <i>Ngākau kōnatunatu</i>	9
6	Public Participation - <i>Wānanga Tūmatanui</i>	10
6.1	Public Forum - <i>Wānanga Tūmatanui</i>	10
6.1.1	Appendix A - West End Road Speed Reduction Safety Proposal	10
6.2	Deputations - <i>Ngā Whakapuaki Whaitake</i>	26
7	Confirmation of Minutes - <i>Te whakaaetanga o ngā meneti o te hui</i>	26
8	Reports - <i>Ngā Pūrongo</i>	27
8.1	Submission on Proposed Wastewater Environmental Performance Standards	27
8.1.1	Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'	31
8.1.2	Appendix B - Overall summary of proposed standards - proposal on a page	53
8.2	Three Waters Consent Replacement Programme Update Report – April 2025	55
8.3	Matatā Wastewater Project Update - April 2025	64
8.4	Local Water Done Well – Options for Future Water Delivery	72
8.4.1	Appendix A - Options Assessment Report - MartinJenkins	83
8.4.2	Appendix B - Draft Consultation Document for local water service delivery options	128
8.4.3	Appendix C - Draft Designed Consultation Document (example only - content not updated)	160
8.5	2025 Speed Limit Setting – Consultation Approval	168
8.5.1	Appendix A - School Variable Speed Areas	178

8.5.2	Appendix B - Discretionary Speed Limit Changes for Consultation	193
8.6	Options Assessment Report – Arawa Road / Bridge Street Roundabout	210
8.7	Options Assessment Report - Goulstone Road Raised Pedestrian Crossings	219
8.8	Submission on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill	227
8.8.1	Appendix A - Submission on the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill	230
8.8.2	Appendix B - Cover letter of the submission	233
8.9	Capex Delivery Update Report – April 2025	235
8.9.1	Appendix A - Summary of Capital Works Programme	245
9	Resolution to Exclude the Public - <i>Whakataunga kia awere te marea</i>	253
1	Confirmation of Minutes - <i>Te whakaaetanga o ngā meneti o te hui</i>	7
1.1	Minutes PX - Infrastructure and Planning Committee 14 November 2024	7

1 Prayer - *Karakia***1 Prayer - *Karakia*****2 Meeting Notices - *Ngā Pānui o te hui*****1. Live Streaming**

The Whakatāne District Council livestreams Council and Standing Committee meetings held in Tōtara Room, within the Council building. The webcast will live stream directly to Council's YouTube channel in real time. The purpose of streaming meetings live is to encourage transparency of Council meetings.

Welcome to members of the public who have joined online and to those within the public gallery.

By remaining in the public gallery, it is understood your consent has been given if your presence is inadvertently broadcast. Please be aware the microphones in Totara Room are sensitive to noise, so please remain quiet throughout the meeting unless asked to speak.

2. Health and Safety

In case of an emergency, please follow the building wardens or make your way to the nearest exit. The meeting point is located at Peace Park on Boon Street.

Bathroom facilities are located opposite the Chambers Foyer entrance (the entrance off Margaret Mahy Court).

3. Other**3 Apologies - *Te hunga kāore i tae***

No apologies were recorded at the time of compiling the agenda.

4 Acknowledgements / Tributes - *Ngā mihimihi*

An opportunity for members to recognise achievements, to notify of events, or to pay tribute to an occasion of importance.

5 Conflicts of Interest - *Ngākau kōnatunatu***5 Conflicts of Interest - *Ngākau kōnatunatu***

Members are reminded of the need to stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interests they might have. Elected Members are also reminded to update their register of interests when changes occur.

The [register of interest](#) can be viewed on the Council website.

1. Financial Conflict

- Members present must declare any direct or indirect financial interest that they hold in any matter being discussed at the meeting, other than an interest that they hold in common with the public.
- Members cannot take part in the discussion, nor can they vote on any matter in which they have a direct or indirect financial interest, unless with an approved exception.
- Members with a financial interest should physically withdraw themselves from the table. If the meeting is public excluded, members should leave the room.

2. Non-Financial Conflict

- If a member considers that they have a non-financial conflict of interest in a matter they must not take part in the discussions about that matter or any subsequent vote.
- Members with a non-financial interest must leave the table when the matter is considered but are not required to leave the room.

6 Public Participation - *Wānanga Tūmatanui***6 Public Participation - *Wānanga Tūmatanui*****6.1 Public Forum - *Wānanga Tūmatanui***

The Council has set aside time for members of the public to speak in the public forum at the commencement of each meeting. Each speaker during the forum may speak for five minutes. Permission of the Chairperson is required for any person wishing to speak during the public forum.

With the permission of the Chairperson, Elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by a speaker.

Ollie Dobbin

He is seeking the Infrastructure and Planning Committee's support for practical solutions to improve safety down West End Road — namely, a reduction in the speed limit, the introduction of traffic-calming measures, or ideally, a combination of both.

Attached to this:

Appendix A - West End Road Speed Reduction Safety Proposal

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)**West End Road Speed Reduction & Safety Proposal**

Presented by: Ollie Dobbin & Briar Goldie

Supported by: Whakatāne–Ōhope Community Board

Date: Thursday, 10th April 2025

Summary

This document supports the public forum presentation by Ollie Dobbin to the Infrastructure, Planning and Capital Projects Committee (IPC) regarding safety concerns on West End Road in Ōhope. It outlines community experiences, feedback, and the growing call for urgent safety improvements in this high-foot-traffic coastal area.

We are seeking the Committee's support for a reduction in the speed limit and the introduction of traffic-calming measures along West End Road—a solution strongly supported by both residents and visitors. Attached are over 100 petition signatures, along with recent feedback from West End Road residents.

Context & Background

West End Road is a well-used coastal road in Ōhope that sees high vehicle and foot traffic year-round, particularly during summer. It is used daily by families, schools, surfers, cyclists, dog walkers, and visitors from around Aotearoa. The street's current 50 km/h speed limit, combined with roadside parking and the area's popularity with beachgoers, creates clear safety risks.

In February 2025, we presented a petition to the Whakatāne–Ōhope Community Board after gaining over 100 signatures calling for a speed limit reduction. This followed the tragic death of a much-loved local dog outside Salt Spray Surf School—one of many reported incidents or near misses in recent years. The Board expressed strong support and encouraged us to engage further with the Council and the IPC Committee.

As community members and local business owners, we regularly witness unsafe driving and hear ongoing concerns from residents and visitors. These lived experiences have motivated us to bring forward this proposal.

Historical Incidents

- 2019: Fatal cyclist accident—struck by a car in the West End Road car park, hospitalised and later passed away (*see Attachment D*).
- 2025: Maggie, a well-loved local dog, struck and killed by a distracted driver outside Salt Spray Surf School.

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)**What We've Done So Far**

- Collected 100+ signatures (Feb)
- Presented to the Whakatāne–Ōhope Community Board (Feb)
- Engaged local residents for direct feedback (Mar)
- Attending the IPC Committee meeting to speak on behalf of the community (Apr)

Community Feedback**A. Signatures (February 2025)**

In February 2025, we gathered over 100 signatures from residents, visitors, and business owners who support changes to make West End Road safer. Signatories expressed concern over speeding, blind spots, and the lack of infrastructure to protect pedestrians, children, pets, and cyclists.

(See Attachment A: Petition Signatures.)

B. Feedback from Local Residents

We have continued to engage with residents of West End Road, who have shared their experiences and concerns. Common themes include:

- Frequent speeding by drivers, often well above the 50 km/h limit.
- Distracted driving, especially from people watching the beach or looking for parking.
- Unsafe conditions when crossing the road, particularly for children, and elderly residents.
- Limited visibility due to heavy roadside parking, especially during peak seasons.
- High pedestrian use, with people regularly crossing to access facilities.
- Near misses and serious incidents, including injuries and fatalities involving people and animals.
- Strong community support for both speed reduction and physical traffic-calming measures.

Sample quotes:

- *"I use this space daily, crossing the road from my house to the beach, and I see so many cars speeding. Weekends are often busy, even during the shoulder seasons, and there are frequently children around, especially now that more local families have young kids, and when schools visit the surf school. It honestly feels like only a matter of time before something more serious happens."* – West End Road resident
- *"I was crossing the road with my toddler, who tripped while we were on the road. A driver only saw us at the last minute, they were watching the ocean. As West End residents, we see dangers like that happening nearly every day, especially in summer."* – West End Road resident.

(See Attachment B: Feedback and Quotes from West End Road Residents.)

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)**What We Are Requesting**

We are calling on Whakatāne District Council and the Infrastructure and Planning Committee to support:

1. A speed limit reduction (*see Attachment C: Proposed Speed Zones*):
 - a. 30 km/h from Whakaari Reserve (or 46 West End Road) to 58 West End Road
 - b. 10 km/h from 58 West End Road to the West End Reserve car park
2. The introduction of traffic-calming measures, such as speed bumps, chicanes, or other road-design solutions that encourage slower, safer driving.
3. Temporary traffic-calming trials, if permanent infrastructure is not yet possible—particularly in preparation for summer 2025/26.

Why This Matters

The current 50 km/h speed limit is unsafe and unfit for a high-use pedestrian environment. The combination of road conditions and surrounding activity presents serious risks, especially in summer when foot traffic significantly increases.

Key safety concerns include:

- Roadside parking creates blind spots, making it difficult for drivers to see pedestrians
- Many drivers are distracted—often looking for friends, parking, or at the beach
- Frequent speeding above the 50 km/h limit increases the likelihood of serious accidents
- Residents report near misses regularly
- Over 100 children visit and use West End Reserve each week for surf school programmes
- An increasing number of families with young children now live on West End Road

Our proposed changes are common-sense, low-cost interventions that reflect improvements already made in similar coastal areas like Muriwai Drive, Whakatāne. Acting now would prevent further accidents and demonstrate the Council's commitment to proactive, community-led safety.

Attachments

- Attachment A: Petition Signatures (February 2025)
- Attachment B: Feedback and Quotes from West End Road Residents (March 2025)
- Attachment C: Screenshots of Proposed Speed Zones
- Attachment D: Reporting of fatality following an accident in West End Road car park (2019)

We appreciate your time and consideration in making West End Road a safer place for everyone.

Ngā mihi nui,

Ollie Dobbin



Briar Goldie



Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment A: Page 1 of 6

Join us in making West End safer for everyone—sign below to show your support!

Full Name	Suburb or Postcode	Email	Signature	Date
Bridi Golde	Ohope			18/11/25
Rhannon Radfield	Whakatane			18/11/25
Sam McAndrew	Gisborne			18/11/25
Phoenix Byles	Ohope			18/11/25
Martin Harrison	Ohope			18/11/25
Keziyah Richmond	Ohope			18/11/25
Jake Walsh	Edgemoor			18/11/25
Blake Bonfield	Ohope			18/11/25
Pete Jones	Whakatane			18/11/25
Alex Gault	Whakatane			18/11/25
Josh Cairns	Ohope			18/11/25
Ellie McDonald	Ohope			18/11/25
Jessie Knight	Ohope			18/11/2025
Eden	Whakatane			18/11/2025
Phil PK	Ohope			15/11/2025
Matt Pirini	Ohope			18/01/2025
Nikau Pirini				18/01/2025

Attachment A: Petition Signatures

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment A: Page 2 of 6

Join us in making West End safer for everyone—sign below to show your support!

Full Name	Suburb or Postcode	Email	Signature	Date
Cam Webster	Ohope			19.01.24
Helen Jones				19/1/24
MAGGIE PAUL				19.01.25
Annabelle Babin	3112			19.1.25
Peri Myles	5013			19/1/25
Charles Douglas	3120			19/1/25
Braeden Webster	3121			19/1/25
Lynley Breeze	3110			19/1/25
Jesse Westerman	Ohope			20-01-24
Kathy Potter	Ohope			20/1/24
Dani Krasierer	Ohope			20/11/25
Olmy Robin	Waimai 3198			20/11/25
Natalie R. N.	Taranga			21/1/25
Aleksandra Beliaev	Wellington, 6037			21/01/25
Claire Sinema	Devonport 0624			21/01/25
James Gahnam	Devonport 0624			

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Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment A: Page 3 of 6

Join us in making West End safer for everyone—sign below to show your support!

Full Name	Suburb or Postcode	Email	Signature	Date
Melissa Madan	Ohope			21/1/25
Robin Cedeiman	Ohope			21/1/25
Rob Carter	Ohope			21/1/25
Rigue Brown	Ohope			21/1/25
Pili Hawy	Ngatike			21/1/25
Larry Nicoll	4130			
Markus Webb	3198			21/1/25
Helen Robbin	3120			21/1/25
GRAME WESTON	Ohope			22/1/25
Mac Hone	Ohope			22/1/25
Rach Brade	Ohope			22/1/25
Richie E	Ohope			22/1/25
Steffi Gilmour	Ohope			22-01-25
John Gilmour	Ohope			22-01-25
Simon Stokes	Ohope			22/1/25
James Clark	5011			23/1/25
Antonia Post	Ohope			23/1/25
Xavier English	Wellington			23/1/25
Georgia Fletcher	Ohope			23/1/25
Nikki Willoughby	WTK			23-1-25

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment A: Page 4 of 6

Join us in making West End safer for everyone—sign below to show your support!

Full Name	Suburb or Postcode	Email	Signature	Date
Steven Williamson	Whakatane			18/1/25
MAURICE	OHOPU			18/1/25
Liz Walker	Ohope			18.01.25
MAUREEN COLEMAN	Ohope			18.1.25
MAUREEN COLEMAN	EDGECLUMBE			18.01.25
MAUREEN COLEMAN	EDGECLUMBE			18/01/25
TOM MORRIS	OHOPU			18/1/25
Dave	Piri Piri			18/1/25
Sally P	Ohope			18/1/25
Sharon Hendrick	3120			18/01/25
Coline Holmes	3116			?
Bruce Adams	Ohope			18/01/25
Duncan Smith	3120			18/1/25
Carli Burn	Whakatane 3120			18/1/25
Mike van der Zee	Matatā			18/1/25
Luca	WHAKATANE			19.1.25

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment A: Page 5 of 6

Join us in making West End safer for everyone—sign below to show your support!

Full Name	Suburb or Postcode	Email	Signature	Date
James Samuel	Ohope			19.1.25
Rachel Morris	Whakatane			19.1.25
Shirley Brown	Opatiki			19.1.25
Janet Redmond	Ohope			19.1.25
Deb McKenna	Ohope			19/01/2025
I Hurdles	Tga			"
Anne Lovel	Tga			19/01/25
Annie Hahine	Whakatane			19/1/25
Lodie Craig	Ohope			19/1/25
Scott Craig	Ohope			19/1/25
Reef Stephen	Ohope			19/1/25
Vasanthi Bradley	3120			19.1.25
Helen J.	3120			19.1.25
M. Brewer	3120 Whakatane			19/1/25
Phil Murphy	Ohope			19/1/25
Louis Moore	3120			19.1.25

Tony Isobell Whakatane.
 Steve Henderson
 3120

23.1.25
 24.1.25

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment A: Page 6 of 6

Join us in making West End safer for everyone—sign below to show your support!

Full Name	Suburb or Postcode	Email	Signature	Date
Oliver Dohbin	3120			18/1/25
Beaver Porter	3121			18/1/25
Clinton Bories	3121			18/1/25
Matt Smith	3120			18/1/25
Troy McFarland	3121			18/1/25
Rachel Jackson	3192			18/1/25
Julia Blakeway	3120			18/1/25
Alice Blakeway	3120			18/01/25
KATE EVERETT	3121			19/01/25
DAVID CRAIG	3121			19/1/25
Rachel Craig	3121			19/1/25
Colleen Vivickas	3121			19/1/25
Rosco Brebner	3120			19/1/25
Jeri O'Neale	6011			19/1/25
Tom Dobbie	3011			19/1/25
Terese Gordon	3120			19/1/25

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)**Attachment B: Feedback from West End Road Residents****Survey Question 1: Have you seen or experienced any of the following on West End Road?**

- a. Cars speeding over the limit — **90%**
- b. Distracted drivers (e.g. looking for parking, watching beach) — **95%**
- c. Near misses involving people or pets — **70%**
- d. Children crossing the road unexpectedly or without looking — **85%**
- e. Unsafe conditions when crossing the road — **45%**
- f. Limited visibility of the road due to parked cars — **75%**
- g. Accidents or crashes involving people or pets — **35%**
- h. None of the above — **5%**

Survey Question 2: What have you noticed, witnessed, or experienced on West End Road that you'd like to share?

1. *"We have witnessed frequent drivers exceeding the speed limit on West End Road."*
2. *"I use this space daily, crossing the road from my house to the beach, and I see so many cars speeding. Weekends are often busy, even during the shoulder seasons, and there are frequently children around, especially now that more local families have young kids, and when schools visit the surf school. It honestly feels like only a matter of time before something more serious happens."*
3. *"It makes me feel very uncomfortable spending a day down there with my whole family, which includes our 1.5-year-old daughter and our dogs. But as I have family and friends living down there, I of course like to spend time at this beautiful beach. Our dogs are all well trained and behaved, but still, there's so much going on, especially during busy summer days, that it's almost impossible to enjoy our time down there because you're constantly worried something will happen on the road. There are a lot of people driving way too fast, and the view on busy days is really limited because the road is fully parked out. Kids and dogs could run out at any moment between the cars. There are also lots of facilities like showers and bathrooms directly across the road, so people will always be crossing. And of course, many locals live there and cross the road all the time with their families."*

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

4. *"I've witnessed both the death of a cyclist who hit a car while riding around the car park at speed (2019), and the death of a dog that was run over, as well as countless near misses. Just yesterday, I saw an elderly West End resident biking down his driveway. As he reached the road, a truck was driving at speed towards him, and the driver was looking at the beach rather than the road. The elderly man, who had limited mobility, struggled to stop just before entering the road. He luckily stopped in time, the truck didn't notice him at all as it sped into the car park. If the cyclist hadn't stopped in time, he surely would've been hit."*
5. *"Cars do speed often."*
6. *"Many drivers get distracted when driving eastward as they leave the western end of the beach. This is the area where most people are crossing the road. Car parking is now staggered between the left and right sides of the road, which I think has made the road a bit safer."*
7. *"I was crossing the road with my toddler, who tripped while we were on the road. A driver only saw us at the last minute, they were watching the ocean. As West End residents, we see dangers like that happening nearly every day, especially in summer."*
8. *"cars parked in bike lane forcing cyclists into traffic."*

Survey Question 3: Do you support reducing the speed limit on West End Road?

- Yes, definitely — **80%**
- Yes, but only in certain areas — **20%**

Survey Question 4: Do you support traffic-calming measures (like speed bumps)?

- Yes — **85%**
- Yes, depending on the type — **5%**
- No — **10%**

Survey Question 5: Do you have any ideas or suggestions for how to make West End Road safer?

(Summarised themes and selected comments)

Common themes:

- Reduce the speed limit (30/40km), especially near the car park
- Add speed bumps
- Improve signage and awareness
- Narrow the road or add planter boxes to slow traffic
- Limit parking or restructure the car park
- Create designated pedestrian crossing areas

Attachment B: Page 2 of 3

Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)*Selected quotes:*

- *"For me, speed bumps all the way down would help, and a max speed of 10 km/h at least for the end of the road near the West End car park. A redesign of the car park could also help, and ideally, there would be less parking along the roadside."*
- *"Reduce the speed from the reserve onwards, and drop it even further near the West End car park where people and kids are constantly crossing."*
- *"The same as Muriwai Drive, well spaced speed bumps and 30 km/h speed limit. Maybe signage warning motorists that this is a high pedestrian area."*
- *"Planter boxes to narrow the road, jutter bars before and inside the car park, clear signage, and warnings."*
- *"Speed bumps all the way. A bigger car park at the end (using the grass area in the back) and less parking along the side of the road. Maybe even partly fenced-in areas so there are only a few access points to the road at the end of West End Road, near the surf school."*
- *"Reducing the speed limit and putting in speed bumps will definitely help keep our busy little beach safe... Most people are distracted, looking at the ocean and checking the waves. Putting bumps in place will force them to pay attention when driving on this small bit of road."*
- *"Speed bumps would be a good start. Protected cycle paths too."*
- *"I agree with and endorse the above proposal for traffic-calming measures between Whakaari Reserve and the West End car park."*
- *What is suggested in this form are all good ideas, and a 'Welcome to the community, be mindful of people' sign as you enter West End Road would be a good reminder too."*
- *"Fully agree that speed humps are needed."*
- *"I agree with and endorse the above proposal for traffic calming measures between Whakaari reserve and the west end car park."*
- *"Very keen on some smartly positioned speed bumps, as the speed limit alone doesn't necessarily stop people from speeding."*

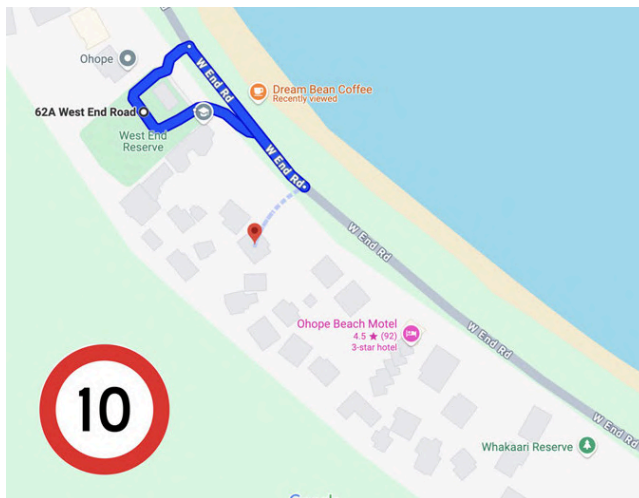
Infrastructure and Planning Committee - AGENDA

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment C: Screenshots of Proposed Speed Zones



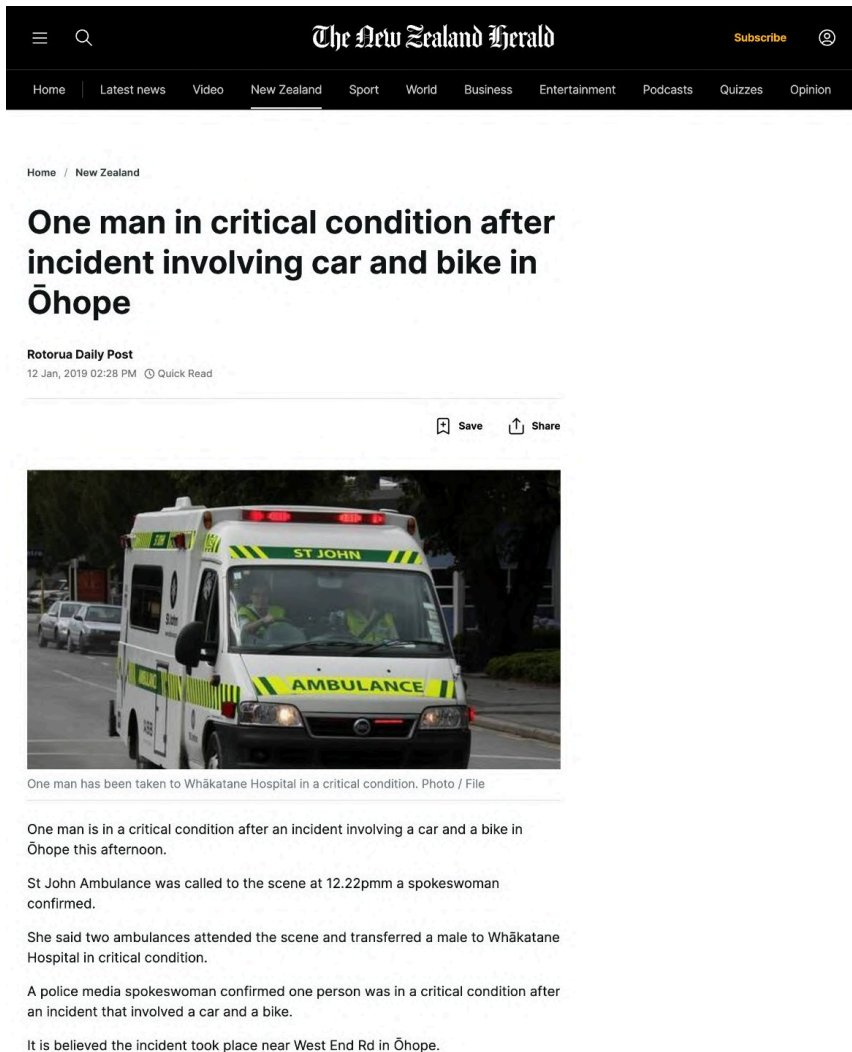
30 km/h: From Whakaari Reserve (45 West End Road) to 58 West End Road



10 km/h: From 58 West End Road to the West End Reserve car park

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)

Attachment D: Reporting of fatality following an accident in West End Road car park (2019)



Attachment D: Page 1 of 2

6.1.1 Appendix A - West End Road Speed Reduction Safety Proposal(Cont.)



[Home](#) > [News](#) > Cyclist dies after Ohope crash

A cyclist has died after a crash on West End Road in Ohope on Saturday 12 January.

Police were called to an incident at the beach carpark involving a car and cyclist around 12:25pm on Saturday.

The cyclist was seriously injured and taken to hospital where he passed away on 14 January.

He was local man 69-year-old Max Kerrison.

Police extend their sympathies to Mr Kerrison's family and friends at this difficult time.

Enquiries are ongoing in relation to the crash.

ENDS

Issued by Police Media Centre

6.2 Deputations - *Ngā Whakapuaki Whaitake***6.2 Deputations - *Ngā Whakapuaki Whaitake***

A deputation enables a person, group or organisation to make a presentation to Community Board on a matter or matters covered by their terms of reference. Deputations should be approved by the Chairperson, or an official with delegated authority, five working days before the meeting. Deputations may be heard at the commencement of the meeting or at the time that the relevant agenda item is being considered. No more than two speakers can speak on behalf of an organisation's deputation. Speakers can speak for up to 5 minutes, or with the permission of the Chairperson, a longer timeframe may be allocated.

With the permission of the Chairperson, Elected members may ask questions of speakers. Questions are to be confined to obtaining information or clarification on matters raised by the deputation.

7 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

The minutes from the Infrastructure and Planning Committee meeting held Thursday, 20 February 2025 can be viewed via the Council website.

Click on the link below in order to view the 'unconfirmed minutes'.

- [Unconfirmed Minutes Infrastructure and Planning Committee - 20 February 2025](#)

8 Reports - *Ngā Pūrongo*

8 Reports - *Ngā Pūrongo*

8.1 Submission on Proposed Wastewater Environmental Performance Standards

Proposed National Wastewater Environmental Performance Standards Submission



To: **Infrastructure and Planning Committee**

Date: **Thursday, 10 April 2025**

Author: **J Sinclair / Senior Water Consents Project Planner**

G Cooper / Contractor - Waters Strategy

Authoriser: **D Bewley / GM Planning, Regulatory and Infrastructure**

Reference: **A2862408**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of the report is to seek approval of the draft submission on the Consultation on proposed wastewater environmental performance standards, which is due to be submitted by 24 April 2025.

2. Recommendation/s - *Tohutohu akiaki*

1. THAT the Proposed National Wastewater Environmental Performance Standards Submission report be **received**; and
2. THAT the Infrastructure and Planning Committee **approves** the draft submission on the proposed wastewater environmental performance standards, as attached in Appendix 1; and
3. THAT the Infrastructure and Planning Committee has **noted** the next steps.

3. Background - *He tirohanga whakamuri*

3.1. Legislative Framework

In February 2024, the Government repealed the existing suite of water services legislation as part of a broader reset of New Zealand's water service delivery framework.

Following this, the Local Government (Water Services Preliminary Arrangements) Act 2024 ("**the Act**") was enacted in September 2024. The Act requires territorial authorities to prepare a Water Service Delivery Plan, setting out how they intend to deliver drinking water, wastewater, and stormwater services. The plan must be submitted to the Department of Internal Affairs by 3 September 2025.

Building on the Act, the Local Government (Water Services) Bill ("**the Bill**") was introduced in December 2024. The Bill outlines a legislative framework for the delivery, regulation, and oversight of water services in New Zealand. Specifically, it provides for:

8.1 Submission on Proposed Wastewater Environmental Performance Standards(Cont.)

- the arrangements for the new water services delivery system; and
- a new economic regulation and consumer protection regime for water services; and
- changes to the water quality regulatory framework and the water services regulator.

Submissions on the Bill closed on 23 February 2025, and it is expected to be enacted by the end of the year.

The Bill amends the Water Services Act 2021 to enable the establishment of regulations on wastewater environmental performance standards for:

- discharges to air, water, or land;
- biosolids and other by-products of wastewater treatment;
- energy use; and
- waste introduced into a wastewater network by third parties (e.g. trade waste).

The introduction of these standards aims to ensure national consistency in regulating and consenting wastewater infrastructure. Regional councils will be required to apply the national standard and will not be permitted to impose more lenient or more stringent requirements, except in specific, defined circumstances.

Under the current framework of the Resource Management Act 1991 (“**RMA**”), applications for wastewater discharges are assessed on a case-by-case basis, with consent conditions, including discharge quality, determined through an assessment of environmental effects on the receiving environment. While conventional scientific methods can assess environmental effects and determine appropriate mitigation (in terms of discharge quality) from point source discharges, tangata whenua and the wider community may have other values that must be considered and influence quality requirements. The proposed standards will replace this approach by introducing a uniform national standard applicable to broadly defined receiving environments.

On 25 February 2025, Taumata Arowai - the Water Services authority - released a discussion document titled *Proposed Wastewater Environmental Performance Standards* and is seeking feedback by 24 April 2025 through public submissions.

The draft submission responds to the proposed regulatory framework outlined in the consultation document and considers its potential impacts on local wastewater management.

4. Discussion – Kōrerorero

The discussion document sets out proposed standards for four key areas:

1. Discharges to Water.
2. Discharges to Land.
3. Beneficial Reuse of Biosolids.
4. Overflows and Bypasses.

Implementation would occur through the existing resource consent system, with regional councils remaining as the consent authorities and Taumata Arowai providing national oversight. Territorial authorities would continue to engage with their communities using existing legislative consultation processes.

8.1 Submission on Proposed Wastewater Environmental Performance Standards(Cont.)

Council staff have analysed these standards and prepared a draft submission, with the focus not solely on the content of the standards themselves, but on the consenting process that will result from their implementation. It is essential that this process is clear, proportionate, and consistent, particularly for smaller communities where affordability constraints are more pronounced.

The draft submission supports the overall intent of the proposed standards but identifies several areas of concern where exclusions, ambiguities, or added complexity may undermine the desired outcomes. The draft submission is included as an appendix.

Key points raised in the draft submission include:

1. The submission proposes supporting the intent of introducing nationally consistent wastewater environmental performance standards. A uniform approach is expected to improve certainty, reduce consenting costs, and enable smaller councils to plan more effectively. However, it raises concerns that the narrow scope and several exclusions in the proposed standards may limit their practical benefits. It notes that the standards do not currently cover discharges to air, high-rate land irrigation systems, other contaminants (such as endocrine disruptors, heavy metals, and PFAS), or matters commonly subject to appeal. The submission suggests that excluding these areas risks leaving critical matters inadequately addressed and open to challenge, which could undermine the intent of the standards.
2. While the proposed standards provide limits on discharge quality, the submission notes that the location of discharge is often the most contested aspect of consent applications. It highlights that tangata whenua and community values significantly influence the acceptability of discharges and are frequently grounds for appeal to the Environment Court. The submission notes that the proposed standards do not currently offer a mechanism to resolve such matters.
3. The submission seeks clarification on how two provisions will interact: the less stringent standard for small plants (which excludes limits for total nitrogen and total phosphorus), and the site-specific risk assessment required for discharges into hard-bottomed streams and rivers, which are more vulnerable to periphyton growth. For example, Tāneatua may qualify as a small plant but also discharge into the Whakatāne River, (potentially) a hard-bottomed river. The submission queries whether nutrient limits would be excluded under the small plant standard or still required due to the nature of the receiving environment.
4. Concerns are raised in the submission about the practicality and proportionality of the proposed end-of-pipe monitoring and third-party audit requirements. These may be particularly difficult to implement for coastal outfalls (such as those from the Whakatāne and Ōhope wastewater treatment plants), where sampling at the discharge point is technically challenging. They may also be unduly burdensome for smaller plants, where third-party audits could duplicate existing regional council oversight. The submission recommends adopting a more proportionate approach to monitoring and removing third-party audit requirements where they are unlikely to add value.
5. The submission proposes supporting the use of restricted discretionary activity status for wastewater discharge consents, as this approach is expected to improve consistency across regions, reduce the scope of legal appeals, and shorten consent timeframes. To strengthen this, the submission recommends limiting appeals to points of law.
6. The submission supports the introduction of a biosolids grading framework and its alignment with Water New Zealand's draft guidance.
7. While supporting improved oversight of wastewater overflows and bypasses, the submission does not support a blanket controlled activity status. Instead, it proposes a risk-based framework that differentiates between dry weather, wet weather, and constructed overflows; integrates

Infrastructure and Planning Committee - AGENDA

8.1 Submission on Proposed Wastewater Environmental Performance Standards(Cont.)

with existing asset and stormwater management plans; and focuses attention and resources on events that pose genuine public health or environmental risks.

8. The submission supports the proposed 35-year consent term for infrastructure that complies with the environmental performance standards.

5. Options Analysis - *Ngā Kōwhiringa*

There were two options available to Whakatāne District Council.

5.1. Option 1: Provide a submission to Taumata Arowai on the Proposed Standards consultation document – Recommended Option.

Advantages	Disadvantages
Allows the Council to provide feedback and engage in democratic decision-making on behalf of the community on matters that will affect it. Ensures local perspectives and concerns are heard in the legislative process. Demonstrates proactive governance and accountability.	<ul style="list-style-type: none"> Preparing a submission requires staff time and resources.

5.2. Option 2: Do not provide a submission to Taumata Arowai on the Proposed Standards consultation document.

Advantages	Disadvantages
<ul style="list-style-type: none"> Nil 	<ul style="list-style-type: none"> Missed opportunity to represent community views on a significant change. Risk of negative outcomes for the district if the standards are set without local input or scrutiny.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko

6.1. Assessment of Significance

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy. The future of water service delivery is considered a significant issue. However, this report does not commit the council to a decision relating to that reform.

6.2. Engagement and Community Views

Engagement on this matter has not been sought due to the tight timeframes for responding to this submission between 23 February 2025 to 24 April 2025.

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'

Taumata Arowai (Water Service Authority) has been holding webinars with regional councils, territorial authorities, industry groups, iwi and hapū and the general public between 3 March 2025 and 16 April 2025. Through our existing channels, we are encouraging our iwi partners to understand

7. Considerations - *Whai Whakaaro***7.1. Strategic Alignment**

This report aligns with the Strategic Direction outlined in the LTP 2024-2034. Within this, it highlights that new legislation was in effect for three waters, with the previous legislation being repealed in February 2024. Within the LTP, funding for WWTP improvements was deferred to Years 11-20. As a result of this legislation, some funding has to be brought forward to be completed by 2032; this has been included in LWDW modelling and decision-making.

7.2. Legal

- There is no legal requirement for the Council to provide a submission on “Consultation on proposed wastewater environmental performance standards”.

7.3. Financial/Budget Considerations

There are no budget considerations associated with the recommendations of this report. Noting that if these standards are implemented, this may result in changes to the future capital works programme.

7.4. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.5. Risks

There are no significant or notable risks associated with the matters of this report.

8. Next Steps – E whai ake nei

Once submissions close, Taumata Arowai (Water Service Authority) will consider the submissions received. A final proposal will be developed for the Minister of Local Government’s consideration. The final wastewater standards will be set in regulations made by the Governor-General by Order in Council, on the advice of the Minister.

The wastewater standards are expected to be set in mid- to late-2025. This will follow enactment of the Local Government (Water Services) Bill.

Attached to this Report:

- Appendix A - Draft submission ‘Consultation on proposed wastewater environmental performance standards’.
- Appendix B - Overall summary of proposed standards – proposal on a page.

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

**Draft Submission for Whakatāne District Council: Proposed
Wastewater Environmental Performance Standards**

To the Water Services Authority - Taumata Arowai

Submitter: Whakatāne District Council
Commerce Street, Private Bag 1002, Whakatāne 3158, New Zealand

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0. Executive Summary

The *Consultation on Proposed Wastewater Environmental Standards – Discussion Document* was released on 25 February 2025. It aims to establish nationally consistent requirements for all wastewater networks and operators through resource consents as they are replaced or issued for wastewater infrastructure. The proposed standards are stated to:

- Support environmental outcomes,
- Improve cost and time efficiencies,
- Assist network owners in planning for infrastructure costs, and
- Reduce administrative burdens for territorial authorities and regional councils.

While we strongly support the intent of the proposed wastewater environmental standards (“**the proposed standards**”), their narrow scope and exclusions may limit their effectiveness and perpetuate uncertainty in the consenting process.

Our key concerns include:

1. Through the existing consenting process, there is significant ambiguity regarding the process for determining an acceptable discharge quality and location. While conventional scientific methods can assess environmental effects and determine appropriate mitigation (in terms of discharge quality) from point source discharges, tangata whenua and the wider community may have other values that must be considered and influence quality requirements and/or discharge location.
2. The Resource Management Act 1991 (“**RMA**”) allows persons to appeal to the Environment Court against the whole or any part of a decision made by a consent authority on an application for a resource consent. Matters such as, discharge location and cultural effects (Ngāti Korokoro Hapū & Ngāti Korokoro Hapū Trust v Northland Regional Council & Far North

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

District Council [2024] NZEnvC 288.), cumulative effects (Rangitāne o Tamaki Nui-a-Rua Incorporated v Manawatu-Wanganui Regional Council & Tararua District Council [2021] NZEnvC 52.) are commonly the subject of appeal. The proposed wastewater standards, nor the amendments to the RMA made by the Local Government (Water Services) Bill, will address, or at least narrow these areas of appeal.

3. At present, the discussion document includes standards that cover discharges to land and water (with exclusions), the application of biosolids to land, and the management of overflows and bypasses. While we acknowledge additional limits may be added later, they do not currently address other contaminants (such as endocrine disruptors, heavy metals, and per- and polyfluoroalkyl substances), discharges to air, or any of the other matters subject to appeal. Therefore, the proposed standards risk leaving critical matters inadequately addressed and open to appeals, which undermines their intended benefits.
4. Furthermore, the proposed standards omit several common discharge methods and environments, such as high-rate land discharge, and include exclusions from the water discharge standard for certain environments. These omissions create uncertainty in the consenting process, as they leave gaps and require case-by-case assessments, undermining the intended outcomes. This is not to say that there won't be circumstances when it is appropriate to exclude sensitive receiving environments, but a more effective approach could be to establish stricter standards for these areas rather than adding further complexities to the existing process.

To effectively introduce a framework that achieves the intended outcomes, we propose:

- a. Prior to their implementation, expand the scope of the proposed standards to cover common consenting matters, discharge methods and locations, including discharges to air, high-rate irrigation, and discharges to sensitive freshwater receiving environments (hard-bottom streams and rivers). We would support delaying their implementation until these important matters are included.
- b. Prescribe the matters that must be detailed in consent applications for wastewater discharges, including how a discharge environment is appropriately determined in consultation with the community, hapū, and iwi.
- c. Require a restricted discretionary activity status that clearly outlines the matters within the discretion of the regional authorities.
 - i. For small plants, exclude emerging contaminants from these matters on the basis that (in med/ high dilution environments) there is limited research and ability to treat these contaminants, and in a cost-effective manner.
- d. Limit appeals to be based on points of law, as is currently in place for the Fast Track Approvals Act 2024.

While the proposed standards aim to improve environmental outcomes and streamline consenting processes, their limited scope and key exclusions may undermine their effectiveness. Without

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

addressing common grounds for appeal and clarifying discharge requirements, the proposed standards risk creating further uncertainty rather than achieving consistency. The suggested amendments above would provide greater certainty for applicants and regulators.

1. Introduction

Whakatāne District Council (“the Council”) welcomes the opportunity to submit on the *Consultation on Proposed Wastewater Environmental Standards – Discussion Document*, released on 25 February 2025.

The Council strongly supports the intent of the proposed standards to establish a consistent and achievable framework for the affordable planning and delivery of wastewater infrastructure that safeguards public health and the environment. While the Council supports the intent, some aspects need refinement to ensure the proposed standards simplify consenting processes and allow for practical wastewater infrastructure delivery.

This submission outlines the Council’s existing challenges and discusses how the proposed standards support or could be refined to more effectively address these issues.

1.1. Structure of Submission

The discussion document seeks responses to specific questions regarding key areas of the proposed standards, which we have addressed where appropriate and included as an appendix. The submission also identifies specific matters of particular interest and concern to the Council and the Whakatāne District, along with suggested amendments.

This submission is structured as follows:

1. **Context for Whakatāne District** – An overview of the Whakatāne District, its wastewater infrastructure and the potential impact of the proposed standards.
2. **Summary and Recommendations** – A summary of key points for each standard along with suggestions for refining the proposed standards.

Appendix A – Response to discussion document questions.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)**1.2.Context for Whakatāne District**

Effective wastewater management is crucial for safeguarding public health, preserving the environment, and upholding the cultural values of the Whakatāne District. Proper treatment prevents contamination, safeguards drinking water, and reduces the spread of waterborne diseases. Without adequate systems, wastewater can degrade ecosystems, introduce pathogens into waterways, and pose risks to community well-being.

The Whakatāne District covers 4,485 km² and is home to around 37,150 people, nearly half of whom are Māori. Water holds deep cultural, spiritual, and economic significance for the eight iwi connected to the district: Ngāti Awa, Ngāi Tūhoe, Ngāti Manawa, Ngāti Whare, Ngāti Tūwharetoa ki Kawerau, Ngāti Rangitīhi, Ngāti Māhino, and Whakatōhea (Ūpokorehe). Wastewater management remains a critical and sensitive issue, particularly regarding direct discharges into freshwater and coastal environments.

As the entity responsible for managing the district's wastewater infrastructure, the Council must balance environmental protection, community aspirations and affordability while ensuring compliance with evolving regulations. With resource consents for four of the Council's six wastewater treatment plants ("WWTPs") expiring in 2026, the Council is developing long-term solutions that balance community values, cultural aspirations, and legislative requirements in a cost-effective way. The challenge extends beyond meeting technical standards—it is about building a system that communities trust, one that aligns with environmental responsibilities while remaining practical, cost-effective, and sustainable.

1.3.Overview of Wastewater Infrastructure in the Whakatāne District

The Council owns, operates, and maintains six WWTPs and their reticulation networks, with an additional scheme in the planning stages. These WWTPs serve approximately 74% of the district's residents, covering:

- Four smaller urban areas¹ (870 to 3,250 residents)
- One medium urban area² (20,000 residents)
- Te Mahoe Village (150 residents)

¹

² Urban area size is defined by the Urban Rural 2018 classification

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

All of the Council's WWTPs are oxidation ponds built between 1954 and 1981. Most of the district's small urban areas, including Tāneatua, Murupara and Edgecumbe, discharge treated wastewater into surface water. However, Ōhope, a small urban area, and Whakatāne, a medium urban area, discharge into the ocean. The Council is also planning a wastewater scheme for Matatā, where septic tanks are failing and are not meeting current environmental standards and potentially leading to public health risks.

A key challenge in consenting and upgrading these plants is the financial burden and uncertainty surrounding the consenting process. Cost savings and efficiencies are limited given the district's dispersed population across several small urban areas. Stricter wastewater standards will influence the required upgrades, particularly for the Murupara, Tāneatua, Edgecumbe, and Whakatāne WWTPs, whose resource consents expire on 1 October 2026. These schemes were originally granted transitional consents under the RMA and now face higher regulatory standards and increasing community expectations.

1.4. Council's Strategic Approach to Wastewater Management

The Council has been working on its Three Waters Consent Replacement Programme for the past eight months in preparation for the upcoming expiration of resource consents. To support this Programme, the Council is developing a Whakatāne District Waters Management Strategy to provide guidance for managing investments in Three Waters infrastructure. This strategy aims to create clear and flexible investment pathways that align with the Council's vision, desired outcomes, and key priorities. These priorities are outlined in key documents such as the Long-Term Plan, Strategies, and Statutory Plans, which guide investment decisions, infrastructure development, and service delivery to fulfil the Council's obligations. It will also explore appropriate, phased investment levels to ensure the right balance between meeting community expectations and complying with legislative and regulatory requirements.

At the project level, the Council has used co-design as a model, working with iwi and hapū partners to ensure their input directly influences decisions and solutions. This approach allows for a deeper understanding of local needs and priorities, ensuring that the outcomes are practical, culturally relevant, and tailored to the community's expectations.

The proposed standards will play a key role in shaping the Wastewater Management Strategy. While the proposed standards provide a much-needed framework for consenting and upgrades, their implementation may not fully achieve all desired outcomes. Communities and iwi are likely to continue raising concerns, particularly about wastewater discharges to water, which could lead to appeals (noting that the proposed standards do not restrict appeals in other areas). However, they offer a starting point for discussions, enabling a balanced conversation about affordability and community aspirations. To be effective, the proposed standards must strike the right balance—stringent enough to reassure communities that environmental effects will be appropriately avoided,

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

remedied, or mitigated, yet not so stringent that Councils are unable to deliver practical and affordable solutions

1.5.Compliance with the Proposed Standards and Potential Impacts

The district's wastewater schemes have been assessed based on their current discharge arrangements in relation to the proposed standards.

While further monitoring is needed to confirm our scheme's compliance with the proposed standards, it appears they are more lenient than what would be expected from an effects-based assessment, as is the current process.

No upgrades would be required at Whakatāne, where ocean discharge is relatively unrestricted. At Tāneatua, the receiving environment may be classified as a hard-bottomed river, which may require nutrient limits to be set through a periphyton risk assessment, despite the plant meeting the small plant criteria. The discussion document is currently unclear on whether small plants discharging into hard-bottomed streams and rivers would be exempt from nitrogen and phosphorus limits or if these limits would be determined through the risk assessment.

Murupara may qualify as a small plant based on cBOD5, even though it exceeds the target population. As a precaution, we have assessed it against the standards for larger plants. Based on this, some upgrades would be required to meet the TSS, cBOD5, and ammoniacal nitrogen standards. Edgecumbe, which discharges into a low-dilution environment, would not meet any of the proposed standards.

Having a defined and consistent standard would undoubtedly reduce the complexity and costs associated with obtaining consents. However, as currently proposed, some exceptions may complicate the consenting process and, in practice, not be dissimilar to the current assessment of effects process. These are further described in the sections that follow.

The table below outlines each WWTP, its discharge environment, and the anticipated compliance with the proposed standards:

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

Location	Population Served	Small Plant (>85 kg/day cBOD ₅)	Discharge Environment	Compliance Status
Whakatāne	20,230	No	Open Ocean - Pacific Ocean (500m outfall pipe)	Probable compliance with Enterococci and Ammoniacal Nitrogen limits; further data required (QMRA, outfall length verification).
Tāneatua	870	Yes	Surface Water – High Dilution (Whakatāne River)	Limited monitoring data: further assessment required. Unlikely to meet cBOD ₅ , or TSS limits. Also, may be a hard-bottomed river, so nutrient limits would be site-specific.
Murupara	1,530	Maybe	Surface Water – High Dilution (Rangitāiki River)	Unlikely to meet Ammoniacal Nitrogen, cBOD ₅ , or TSS limits.
Edgecumbe	1,700	No	Surface Water – Low Dilution (Omeheu Canal)	Unlikely to comply with any of the proposed quality standards for low dilution discharge environments.
Te Mahoe	150	Yes	Land (class undetermined)	Reconsented in 2016; not yet assessed against new standards.
Ōhope	3,250	No	Open Ocean (Pacific Ocean, 550m outfall pipe)	Reconsented/ upgraded in 2017; lacks ammoniacal nitrogen limits or monitoring requirements but likely to meet the standard.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)**2. Summary and Recommendations**

This section summarises the key matters supported by the Council and sets out the recommended changes to ensure the proposed standards are effective, practical, and aligned with both regulatory and community expectations. The Council's recommendations are grouped under general matters and the four proposed standards: discharge to water, discharge to land, beneficial reuse of biosolids, and managing overflows and bypasses.

2.1.General Matters

This section addresses overarching aspects of the proposed standards, including their structure, scope, and the broader regulatory context within which they will be implemented.

The Council strongly supports the intent of the proposed standards, particularly where they reduce consenting costs, streamline regulatory requirements, and establish national benchmarks, enhancing public reporting and comparability across New Zealand. A key strategic priority for the Council is *"shaping a green district – Kia toitū te rohe,"* and in doing so, ensuring decision-making and operations align with environmental commitments.

The Council's focus is not solely on the content of the standards themselves, but on the consenting process that will result from their implementation. It is essential that this process is clear, proportionate, and consistent, particularly for smaller communities where affordability constraints are more pronounced.

The Council lacks internal water quality scientists to assess whether the proposed standards are appropriate for the receiving environments in the district. As such, we rely on expert guidance to ensure the standards deliver appropriate environmental and public health while remaining practical and affordable. Collaborative engagement with regulatory agencies, scientists, industry stakeholders, and other territorial authorities is essential to ensure the standards are robust, workable, and do not produce unintended adverse effects.

Key Recommendations:

To ensure the proposed standards achieve their intended outcomes:

- Expand the scope to cover common consenting matters and discharge methods currently excluded, such as discharges to air, high-rate land discharges, and sensitive freshwater environments, including hard-bottomed streams.
- Specify the information required in consent applications, including clear processes for determining discharge environments in consultation with iwi, hapū, and communities.
- Include a restricted discretionary activity status, clearly identifying the matters regional councils can assess, to improve consistency and certainty.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

- Limit appeals to points of law, aligning with provisions under the Fast-track Approvals Act 2024 to reduce unnecessary legal and technical disputes.
 - While the standards aim to reduce appeals regarding discharge quality, there is a risk of shifting appeals to other consenting matters, such as discharge location or areas where standards are not yet established (e.g., discharges to air).
- Clarify how Treaty settlement obligations and RMA Section 6 matters will be upheld, especially where standards may override regional planning instruments.
 - The relationship of Māori with land and water is a matter of national importance under Section 6 of the RMA, and many Treaty settlements are embedded in regional planning documents. While the standards are said to leave Treaty obligations intact, the proposal to give standards precedence over planning documents raises uncertainty about how these obligations will be recognised in practice.
- Ensure iwi and hapū with unsettled claims are meaningfully included in engagement processes.
- Require a 35-year consent term
- Provide robust guidance and examples to support consistent implementation and clearly delineate responsibilities between Taumata Arowai and consenting authorities.
- Exclude emerging contaminants for small plants with medium to high dilution, acknowledging the limited ability and cost-effectiveness of current treatment methods for these contaminants.

2.2. Discharge to Water

This section focuses on the proposed standards for wastewater discharges into rivers, lakes, and the coastal marine area, and reflects the challenges and preferences in the Whakatāne District.

Discharges to water are currently the primary method of reintegrating wastewater in the Whakatāne District. However, this approach is becoming increasingly sensitive for communities and iwi, with a general preference for land discharge or, where unviable, coastal waters.

Edgecumbe is serviced by oxidation ponds that discharge into the Omeheu Canal, but this is highly contentious due to the low-dilution environment and the cultural significance of the Tarawera River, into which the Omeheu Canal flows. To the west of Edgecumbe, Matatā faces challenges with its existing septic tanks. Co-design has identified land discharge as the preferred solution; however, the small community size makes this financially challenging. Integrating Matatā and Edgecumbe could improve economic feasibility.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

The proposed land discharge standard does not appear to significantly reduce the complexity or cost of implementation. However, given community preference and the challenges in consenting a new coastal outfall, we support provisions that enable a gradual transition to land discharge. A flexible approach to bypass use is also important to avoid excessive infrastructure costs associated with managing wet weather events.

Key recommendations:

To ensure the proposed standards for discharges to water are effective and practicable:

- Clarify how the small plant standard would interact with the proposed process for setting Total Nitrogen and Total Phosphorus standards in hard-bottomed streams and rivers.
- Define nutrient thresholds (e.g. for Total Nitrogen and Total Phosphorus) in hard-bottomed streams and rivers or clarify how these will be determined through an effects-based process.
- Review the practicality of end-of-pipe monitoring, especially for marine outfalls where sampling directly from the discharge point may not be feasible.
- Remove third-party audit requirements for smaller schemes to avoid excessive compliance costs, especially where regional council oversight already exists.
- Establish transitional provisions for land discharge, recognising community and iwi preferences, the high cost of implementation, and the limited feasibility of new coastal discharges in many cases.

2.3. Discharge to Land

This section addresses the proposed standard for applying treated wastewater to land and reflects the local context and implementation challenges in the Whakatāne District.

The proposed discharge to land standard follows a structured three-step process to assess risk and uses a risk matrix to determine nutrient and pathogen loading rates for wastewater application on suitable land at a low rate. In the Whakatāne District, this approach is often recognised as the preferred option by communities and iwi. Therefore, the Council supports a method that simplifies the process and reduces costs, as the current costs are unaffordable.

In general, we do not believe that the proposed standard significantly simplifies the complexities of the current process. This process does not supersede any of the costly technical assessments currently required on a site-specific basis for potential land application sites. However, we do see some potential simplification in the grouping of the contaminant limits into three classes. Currently, there is a de facto maximum standard of 200 kgN/ha/yr in the industry, but this is increasingly not accepted without further assessment, similar to what is proposed.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

It appears that the site capability and risk category allocations are open to judgment (unless more specific guidance is provided), and as such, the loading rate is also subjective. Additionally, the Council recommends that the proposed standards be expanded to include provisions for high-rate irrigation systems, which are widely used but not currently addressed.

Key recommendations:

To improve the effectiveness and practicality of the proposed land discharge standard:

- Clarify application rate limits, including what defines an “application event” and whether stand-down periods or return intervals apply.
- Address wet weather operation constraints, including whether standard application rates still apply when soil moisture capacity is reduced.
- Ensure consistency in monitoring requirements, aligning them with those for water discharges where risks are comparable.
- Provide specific guidance on site capability and risk categorisation, to reduce reliance on professional judgment and improve national consistency.
- Develop standards or guidance for high-rate irrigation, as this is a commonly used system not currently accommodated in the proposed framework.

2.4. Beneficial reuse of biosolids

This section addresses the proposed standard for the grading and application of biosolids to land, which is based on sector-developed guidance.

The Council supports the proposed grading framework for biosolids and its alignment with Water New Zealand’s draft *Good Practice Guide for the Beneficial Use of Biosolids and Other Organic Materials on Land*. The ability to apply higher-grade biosolids as a permitted activity is also supported, as it can reduce consenting costs and timeframes.

Key recommendations:

To ensure the proposed standard is effective and implementable:

- Adopt a phased approach to incorporating emerging contaminants into the standards, based on evolving research and risk.
- Clarify permitted activity conditions and provide standardised thresholds for biosolid grades to support consistent implementation across regional councils.
- Retain the matters of control and restricted discretion as proposed, with no additional controls beyond those outlined in the draft standard.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)**2.5.Managing overflows and bypasses**

This section focuses on the proposed standard for managing wastewater overflows and bypasses from networks and treatment plants. It reflects the Council's experience using local guidance and the need for a practical, risk-based approach.

The Council supports greater transparency, consistent reporting, and the use of risk-based frameworks to manage overflows and bypasses. We have successfully implemented regional guidelines in the Bay of Plenty, which have improved collaboration between the regional council, iwi, and public health agencies. While we support improved disclosure and management practices, a blanket consenting requirement for all overflow types is not considered appropriate.

Key recommendations:

To ensure the proposed standard is practical and risk-proportionate:

- Differentiate between overflow types:
 - Manage unexpected dry weather overflows through operational response plans,
 - Consent known wet weather overflows and constructed overflow points where appropriate.
- Avoid a blanket controlled activity status for all overflows, as this would treat high-risk and low risk events the same.
- Clarify the definition of "external environment" to ensure consistent reporting of events with potential public health or environmental effects.
- Support integration of overflow management into existing frameworks, such as comprehensive Stormwater Consents and Asset Management Plans, to promote an integrated and efficient regulatory approach.
- Improve public health risk response guidance, including proportional signage and sampling protocols that reflect the actual risk.
- Establish a national online reporting database for overflow, enabling real-time, transparent communication with regulators, iwi, and the public.
- Clarify how risk management plans align with consent requirements, so that unexpected events are addressed through operational response rather than additional consenting.
- Support a framework that bases management on risk, particularly in relation to public health and environmental sensitivity.

2.6.Concluding Comments

The Council supports the intent of the proposed standards and sees value in establishing a more consistent and transparent approach to wastewater consenting. However, as outlined throughout this submission, the effectiveness of the standards will ultimately depend on how they shape the

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

consenting process. A clear, proportionate, and workable framework, supported by practical guidance and inclusive engagement, is crucial to ensuring the standards are successful in practice and deliver the intended outcomes.

DRAFT

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)**Appendix A – Discussion Document Responses***General Questions****How long should wastewater treatment plants be able to operate under section 124 of the RMA once wastewater standards have been set?***

Section 10 of the discussion document outlines the proposed arrangements for wastewater treatment plants operating under expired consents, as per Section 124 of the RMA. Taumata Arowai proposes that such plants can operate for a maximum of 2 years under Section 124, although this provision would not take effect for 5 years. At first glance, these timeframes appear reasonable, but the wastewater standards will simplify matters to a limited extent. For example, if a resource consent is appealed, the use of Section 124 may need to be extended. Additionally, if submissions require a hearing or further work, delays could arise, potentially extending the period for operating under Section 124 beyond the initial 2 years. These factors need to be taken into account when planning or making decisions regarding the application of these timeframes.

The Council requests that the proposed 2-year time limit on Section 124 rights be adjusted to allow for flexibility in the event of delays caused by resource consent appeals, hearings, or additional consultation.

How should we define small plants, and what changes to the default standards should apply to them?

The Council proposes either extending the definition of "small" wastewater treatment plants or increasing the cBOD5 limit to cover populations of up to 2,500 people, rather than the current threshold of 1,000. This change would better accommodate smaller urban areas like Murupara and Edgecumbe, where wastewater systems serve just over 1,000 people. Raising the threshold would provide greater flexibility in applying the standards, helping to manage upgrade costs while improving economies of scale for these communities. It would also support a more practical and affordable re consenting process for smaller systems.

The Council also seeks clarity on the interaction between the small plant standard and the hard-bottomed exclusion, as one removes nutrient limits while the other excludes the standards entirely. Where both apply, it is unclear which takes precedence. To uphold the intent of the standards while protecting sensitive receiving environments, the Council supports either applying a small plant standard for hard-bottomed streams or removing the risk assessment approach for small plants where appropriate.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)***Do you agree with the areas the first set of standards are proposed to cover?***

The Council supports the areas currently within scope and supports introducing a further standard for discharges to air to simplify and streamline the consenting process.

Despite support for the proposed standards, we do have concerns that the proposed exceptions do not fully address the intention of providing continuity and reducing costs. Further clarity around some of the exceptions would be beneficial.

What areas should we prioritise to introduce wastewater standards in future?

The Council supports the introduction of all four standards: Discharge to water, discharge to land, beneficial reuse of biosolids, and wastewater network overflow and bypass arrangements. Prioritising areas that streamline complex consenting processes, such as air discharges, would be beneficial.

What topics should we cover in the guidance material to support implementation of the standards?

Providing worked examples would be useful, as often it's when trying to practically implement the rules that additional matters arise. Also, there is a need for a clear distinction between the roles of the rule setters, being Taumata Arowai and consenting authorities to avoid overlap between these two agencies.

How should factors such as climate change, population growth, or consumer complaints be addressed when considering a 35-year consent term?

These are less quantifiable, so should sit outside the standards as they will be much more site specific, so not suitable to provide specific rules to. Another way to capture consumer complaints, such as population growth, would be through the Wastewater Risk Management Plans, which could have review timelines every other Long-Term Plan (LTP) period, i.e., 6 years, one year prior to the LTP cycle. This would result in 5 cycles within a 35-year consent period.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)*Discharges to Water*

How should we consider checks and balances to protect against situations where the degree of microbial contamination may change throughout the duration of a consent?

The standard is intended to “improve public health and environmental outcomes over time,” so it should be fit for purpose from the outset. It proposes that exceeding the specified microbial contamination limit would require a response. However, as the limit is based on the 90th percentile and microbial sampling for E. coli and Enterococci is not instantaneous, any potential effects could not be addressed in real time.

Are the areas for exceptions appropriate to manage the impacts of discharges, and do you anticipate implementation challenges?

The areas appear reasonable, but there is uncertainty about how the small plant standard would interact with the proposed process for setting TN and TP standards in hard bottomed streams and rivers.

How should the exceptions be further defined to ensure there are no unintended consequences?

No comment.

Are the treatment limits, monitoring and reporting requirements proportionate to the potential impacts of the different discharge scenarios?

We note that continuous monitoring is required for plants serving more than 10,000 people. Clarification is needed on whether this approach would involve flow-proportional auto-sampling and how microbiological pathogens would be monitored.

We also note that network operators will be required to engage a third party annually to audit compliance with the standard, including monitoring and reporting requirements, with the costs falling to the operators. This appears excessive and raises concerns about the role of regional councils in their regulatory function. A similar requirement exists for drinking water compliance, which has faced significant opposition due to cost duplication.

In addition, end-of-pipe monitoring, being “monitoring the discharge directly from the discharge point”, is not practical for discharges such as coastal outfall.

We question whether the treatment limits, monitoring, and reporting requirements are proportionate to the potential impacts of different discharge scenarios.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

What benefits and challenges do you anticipate in implementing the proposed approach? Are there particular matters that could be addressed through guidance material?

The Council seeks additional standards or consideration for transitioning to land, particularly given that Section 124 will be limited to a two-year period.

What feedback do you have for managing periphyton in hard-bottomed or rocky streams or rivers?

As above, make this clearer. Is this part of the standard, or an exception?

What detail should be covered in guidance to support implementing this approach for managing periphyton?

This is a regional council function and so should utilise their expertise and existing documents to develop this.

Discharges to Land

Are the proposed parameters appropriate to manage the impact of wastewater discharges to land?

It is not the Council's role or area of expertise to determine appropriate environmental parameters. However, we seek clarification on the proposed application rate.

The standard currently limits application to 5mm per hour and up to 15mm per application, but it does not clearly define what constitutes an application event. It should specify whether an event is determined by a required stand-down period between applications or by a specific timeframe. For example, Fonterra Edgumbe's irrigation consent (65800) allows up to 50mm per event but requires a minimum 14-day return cycle between applications. This significantly changes the area of land required. Additionally, it is unclear whether the application rate would be adjusted during wet weather when soil moisture capacity is reduced or if the standard application rate would still apply.

What benefits and challenges do you anticipate in implementing the proposed approach? Are there other particular matters that could be addressed through guidance material?

The primary challenge remains the cost and complexity of technical assessments, which the proposed standard does not significantly reduce. If the framework still requires extensive site-specific investigations and professional judgment to allocate risk categories, the overall burden on applicants will remain largely unchanged.

To improve implementation, the Council suggests that guidance material should clearly define the methodology for assessing site capability and risk categories, including specific criteria and thresholds. This would help ensure consistency in decision-making and provide greater certainty for applicants.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)*Are the monitoring and reporting requirements proportionate to the potential impacts of the different discharge scenarios?*

As noted above, this is not a matter for the District Council. However, it is inconsistent that the discharge to land standard imposes more stringent monitoring requirements than discharges to freshwater.

*Beneficial Reuse of Biosolids**What matters of control or restricted discretion should sit with consenting authorities to manage the reuse of biosolids?*

No additional measures other than those proposed.

What should the permitted activity standards include?

No comments.

How should contaminants of emerging concern in biosolids be addressed in the short-term?

The Council supports option 1: consider the introduction of standards relating to these contaminants brought into the standard over time, as research continues and supports the need.

*Managing Overflows and Bypasses**Is the current definition of overflow fit for purpose, and if not, what changes do you suggest?*

Definition as proposed: Instances where untreated or partially treated wastewater (or stormwater contaminated with wastewater) spills, surcharges, discharges or otherwise escapes from a wastewater network to the external environment. This may be due to different causes and may be released via either constructed (engineered) or unconstructed overflow points. Engineered overflow points are designed and intended to act as an emergency relief valve during instances of capacity overload in the network, whereas unconstructed overflow points are not (but inadvertently perform this function).

We suggest that the 'external environment' is defined as the area to which the wastewater has escaped, which has the potential to have a public health and/or environmental impact. We note that some network operators may not consider an overflow to have occurred if it has been contained before entering a receiving environment. Therefore, we suggest that this clarification would be helpful as we support an intention to manage both potential and actual events resulting from overflows.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

Does the proposed definition of bypasses adequately cover these situations, and if not, what changes do you suggest?

The Authority proposes defining bypasses as: Bypasses are discharges where the wastewater is not fully treated due to inlet flow rates exceeding the design capacity of a wastewater treatment plant and then discharged into a receiving environment.

We generally support this definition but note that an assumption that it's not fully treated could extend to mean 'a point after primary wastewater treatment is deemed to have taken place' or similar.

How should Wastewater Risk Management Plans relate to existing risk management planning tools, and if the Local Government (Water Services) Bill proceeds, stormwater risk management plans?

Overall, we support a framework where, if practical, risk management plans should be incorporated within existing plans where there are strong overlaps. In this instance, the mapping and management of known overflows could sit within Asset Management plans, which would promote and support a holistic and integrated approach to managing the overall network and associated performance effects (including overflows).

Additionally, we suggest that where comprehensive stormwater consents exist, the environmental effects of wastewater overflows should be managed there (rather than requiring separate resource consents (one to permit stormwater and another to permit wastewater discharges from a stormwater network). Again, this would support an integrated approach to managing known effects in the catchment that have the potential to impact stormwater quality (similar to how pollution prevention plans work). Ultimately, wastewater overflow that enter the stormwater system and discharges into water constitutes a breach of consent, so monitoring, reporting, and managing its effects can be addressed accordingly. Furthermore, the CSC will address the impacts on sensitive environments and, consequently, may be involved in managing pollution events, breaches, and monitoring as a result. Potential health effects should be managed through the public health sections of the operational response risk management plans.

What should be covered in guidance to support developing wastewater risk management plans?

Clear and consistent guidance for determining and classifying environmental and public health risks to ensure consistency nationwide in reporting, monitoring, and response. Without that, and as is currently the case, some small discharges trigger similar escalations and responses as others, which may be magnitudes larger. It's important that agreed escalation and response procedures are agreed between agencies (e.g. iwi, public health agencies, regional councils) that are well aligned to the actual risk of that event.

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

We understand wastewater risk management plans are already required in some regions – what approaches have worked well and where is there room for improvement?

The one area for improvement is how the public health risk is assessed by those public health agencies as we are required to operate under their direction. These matters can relate to trigger points for public health signage and sampling. Currently, some public health responses aren't in line with the level of risk posed to the public, which can create a 'boy who cried wolf' situation.

How should Wastewater Risk Management Plans interact with the proposed consenting pathways for overflows and bypasses

These plans should primarily deal with the unexpected overflows that typically happen during dry weather, as these tend to have the potential to have the greatest impacts, as they are unknown, happen in dry weather (with low dilution) and can go unreported for extended periods of time. Wet weather and known overflows could then be consented as part of comprehensive stormwater consents (where these exist) or separately while the public health aspects continue to be managed through the risk management and operational response plans.

Do you support setting all wastewater network overflows as controlled activity?

No, as this would treat all three main types of overflows the same: a. Unknown/unexpected dry weather, b. known wet weather overflow points and c. constructed overflows. The difficulty primarily lies in consenting of unknown or unexpected overflows, as these can occur anywhere, at any time, and with a wide variation in volume. Our view is that consenting is better suited to target those that are known to occur and then leave the more infrequent dry weather overflows managed through operational response plans (and reporting).

What matters of control should remain with consenting authorities to reduce the impact and frequency of overflows and bypasses?

Use a similar approach to information disclosure regimes where the reporting, responding and overflow reduction plans are more transparent to stakeholders and the wider public. This will encourage Councils to invest in reducing them over time while making sure they are accountable (to the public) for managing the risks using appropriate risk and response plans. Consenting could be considered only where more punitive enforcement means are necessary to drive overflow reduction programmes, but this might not be necessary if there is good disclosure and reporting of overflows as would be required.

Are there examples of existing approaches to managing overflows that would work well as matters of control?

Infrastructure and Planning Committee - AGENDA

8.1.1 Appendix A - Draft submission 'Consultation on proposed wastewater environmental performance standards'(Cont.)

Yes, we have been using the Bay of Plenty guidelines for managing wastewater overflows for several years, with reasonably good effect. This has improved the reporting and response procedures and has encouraged good collaboration between the regional council, Iwi and public health agencies. There is certainly scope for improvements, but managing overflows outside of a consenting regime achieves the same effects as consent might have, without having the tightly structured consenting processes interfering unnecessarily.

*What other factors need to be considered when making overflows and bypasses a controlled activity?
What matters would be helpful to address through guidance?*

Better guidance for understanding the public health risks to the response and signage is in line with the risk (level of dilution, volume of discharge etc) as often these are not well considered, and we have found ourselves being asked to put up signage 3-4 km downstream from an overflow of a few litres per second into a river flowing at over 30,000 l/s. The proposed controlled activity limits are too prescriptive and don't account for weather event frequency, for example. If limits are put on the frequency that certain overflows can occur, then network operators may be very much at the whim of weather events that they cannot control. If, for example, they encounter more weather events than normal, then they won't be able to comply with the consent.

What transition arrangements should apply for scenarios where regional councils already have consenting pathways for overflows?

No comment.

What matters should be covered in guidance material to support monitoring and reporting requirements?

Simple and efficient reporting where the reporting and results are uploaded to an online portal. Some parts of the portal could be made public so they can see when and where overflows could be occurring (using online maps). This would be consistent with the approach to be more transparent and accountable to the public by providing clear and easy to understand information on network performance and effects.

Do you support establishing a framework that determines how overflows are managed based on risk?

Yes, particularly in terms of public health. The philosophy of the wastewater standards could be used when assessing the environmental risk of overflows to land and water (e.g. dilution factors)

8.1.2 Appendix B - Overall summary of proposed standards - proposal on a page

8.1.2 Appendix B - Overall summary of proposed standards - proposal on a page

8.1.2 Appendix B - Overall summary of proposed standards - proposal on a page(Cont.)

Proposal
on-a-page

The Water Services Authority—Taumata Arowai (the Authority), on behalf of the Minister of Local Government, is consulting on a set of proposed national wastewater environmental performance standards (“wastewater standards”) under section 138 of the Water Services Act 2021.

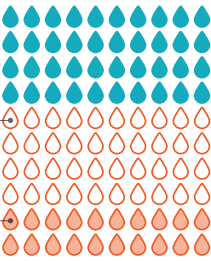
A What is the rationale for change?

A significant proportion of Council and Crown-owned wastewater infrastructure was built 30-40 years ago. These now require upgrades or renewals.

Population growth and urban development also drive the need for infrastructure renewals, with larger communities and housing areas requiring treatment plants and networks with much greater capacity than they currently have.

Around 60% of public wastewater infrastructure will require re consenting in the next decade.

Of this number, 20% of plants are currently operating on expired resource consents.



KEY:
● Valid
○ Due to expire
● Expired

The resource management system can be challenging for network owners and communities across the country.

Resource consents are developed, assessed, and monitored largely on a case-by-case basis. The current process can be lengthy, uncertain, and information intensive as a result.

B What does this package of wastewater standards cover?

The Water Services Act 2021 (the Act) (section 138) enables the Authority to make wastewater standards following public consultation.

Standards only apply to Council and Crown-owned infrastructure, and may include requirements, limits, conditions, or prohibitions related to activities associated with wastewater treatment plants and networks, including:

- Discharges to land, air or water
- Biosolids and other by-products from wastewater
- Energy use
- Waste introduced by a third party into a wastewater network (such as trade waste).

The initial package of proposed standards covers areas where resource consents are commonly sought for wastewater treatment plants and networks, specifically:



Discharges to water

THIS STANDARD PROPOSES:

- A treatment requirements for the main contaminants discharged from a treatment plant, varying by the risk and sensitivity of the receiving environment.



Discharges to land

THIS STANDARD PROPOSES:

- A framework for identifying suitable land for discharge application, based on a site-specific risk assessment.
- Treatment requirements for nutrients and pathogens discharged to land.



Beneficial reuse of biosolids

THIS STANDARD PROPOSES:

- A grading system for processing biosolids from wastewater treatment plants, with corresponding activity status for how and when biosolids can be reused based on Water NZ guidelines.



Wastewater network overflow and bypass arrangements

THIS STANDARD PROPOSES:

- Risk-based planning, monitoring and reporting requirements for overflows from networks and bypasses of plants.
- All existing overflow points must be consented.

Monitoring and reporting requirements will apply across all the standards.

Small plant standard (SPS)

The discharge to water standard will impose different treatment requirements for wastewater treatment plants that service very small communities. These plants are significantly different to those that service larger towns and cities. They are usually

oxidation ponds that rely on passive treatment arrangements that require little operation, at isolated sites and often without access to electricity. These small plants often have a minimal impact on the receiving environment because of their small size, particularly in

comparison to contaminants like nutrients from surrounding land. Due to this, no nutrient treatment is proposed as part of the small plant standard, and other treatment requirements are tailored to suit infrastructure of this nature.

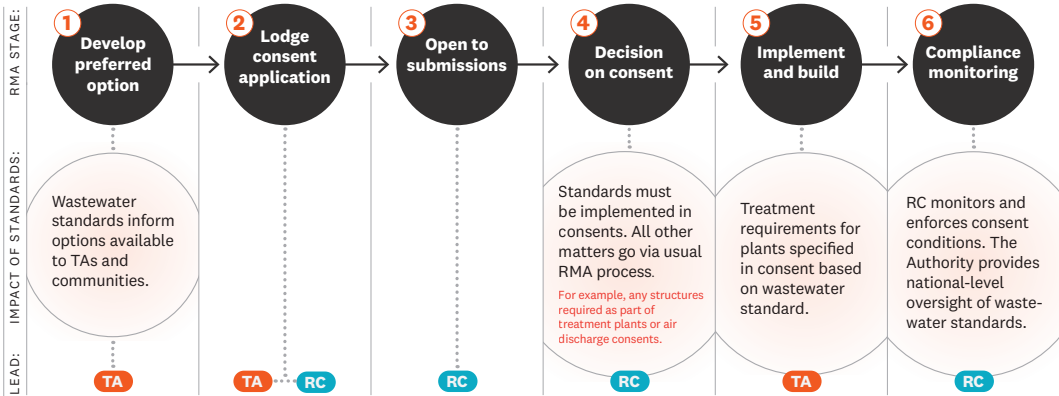
C How will territorial authorities (TAs) and regional councils (RCs) use the standards?

Territorial authorities (TAs) who have wastewater treatment plants due for upgrade or renewal will consult with their communities under the Local Government Act 2002 to determine the best arrangement for their circumstances.

The standards will set treatment requirements based on the type of water body or land the plant discharges to. These standards will guide councils and communities in making decisions, and in the design, planning, and funding once a decision is made.

Examples of what this might look like:

- Communities and TAs may choose to either:
 - Decommission and replace an old plant with one that discharges to land in the summer, and water in the winter, or
 - Upgrade an existing plant or combine multiple plants into one centralised arrangement.



D What are the expected benefits of the proposed standards?

Wastewater standards will:

- Support environmental outcomes.
- Drive cost and time efficiencies.
- Support owners of networks to better plan and fund infrastructure.
- Provide clear expectations about treatment quality to communities.

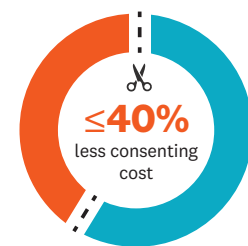
Expected cost efficiencies:

Based on case studies, we expect up to 40% reduction in consenting costs.

This includes cost reductions in staff time, technical and feasibility assessments, legal costs, and consultation/engagement expenses.

Over time, further savings will come from standardising infrastructure and operations

to comply with the proposed wastewater standards.



The standards will provide certainty to TAs, helping them to better:

- Plan
- Design
- Engage with communities
- Fund infrastructure upgrades
- Develop long-term plans

E What was the process to develop the standards?

The Authority developed these proposals using evidence, technical advice, testing.



Review of a range of previous work relating to the area.



Commissioning technical reports into potential areas where standards could be made.



Commissioning case studies of wastewater arrangements to understand the perspectives of iwi/Māori, TAs, and RCs.



Commissioning detailed technical advice into the discharge to water and land standards.



A Technical Review Group made up of TAs, RCs, peak industry bodies, and leading industry professionals.

The goal is to create credible standards that balance:



The proposed standards do not cover the following matters:

- Discharges to air from wastewater treatment plants.
- Recycled treated wastewater for non-potable use.

- Other contaminants from treatment plants (such as endocrine disruptors, heavy metals, and PFAS).

- Arrangements for private networks or onsite wastewater treatment systems (such as septic tanks).

8.2 Three Waters Consent Replacement Programme Update Report – April 2025**8.2 Three Waters Consent Replacement Programme Update Report – April 2025**To: **Infrastructure and Planning Committee**Date: **Thursday, 10 April 2025**Author: **J Joyce / Programme Manager**Authoriser: **D Bewley / GM Planning, Regulatory and Infrastructure**Reference: **A2853867****1. Reason for the report - Te Take mō tēnei rīpoata**

The purpose of this report is to update the Infrastructure and Planning Committee on the Three Waters Consent Replacement Programme (the Programme) on matters to April 2025.

2. Recommendation/s - *Tohutohu akiaki*

THAT the Three Waters Consent Replacement Programme Update Report - April 2025 be **received**.

3. Background - *He tirohanga whakamuri*

The Whakatāne District Council owns, operates, and maintains three waters infrastructure: stormwater, wastewater, and municipal water supply, across urban areas within the Whakatāne District. This infrastructure comprises six wastewater treatment plants and their reticulation networks, with plans for an additional wastewater scheme underway. The Council's municipal water supply infrastructure includes ten water supply schemes that draw from several water sources before treatment. Furthermore, stormwater networks exist within major urban areas to manage rainfall runoff and mitigate flooding risks.

The impending expiration of resource consents issued under the Resource Management Act 1991 will necessitate a number of significant upgrades within the Whakatāne District. For the Council, this includes replacing consents associated with four wastewater treatment plants and seven water supply schemes, as well as irrigation for Rugby Park. These upgrades are anticipated to come with a significant financial cost to the community, as well as increased ongoing operational costs associated with more advanced infrastructure.

4. Discussion – Kōrerorero**4.1. Three Waters Programme Steering Group**

The Three Waters Programme Steering Group (the Steering Group) met on Monday 24 March 2025.

Key discussion areas included:

1. Programme purpose and key objectives.

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

2. Programme (Project) Plan approach.
3. PSG Independent representative approach.
4. Draft Whakatāne Three Waters Strategy overview.
5. Overall Programme progress update.

4.1.1. Key actions and or recommendations from the Steering Group meeting included:

Report / Key Discussions	Key Actions / recommendations
<p>Programme purpose and key objectives</p>	<ul style="list-style-type: none"> • The Programme team outlined the updated programme purpose and key objectives following the previous PSG meeting discussion. <p>PSG endorsed the programme purpose and objectives.</p> <p><u>Programme Purpose</u></p> <p>Healthy People – Healthy Communities</p> <p>To determine and consent, fit for purpose and affordable water and wastewater solutions, that meet statutory requirements, safeguard public health, improve environmental and cultural outcomes, provide for growth, and build community resilience.</p> <p><u>Programme Objectives</u></p> <p>In undertaking the Programme, the Council and supporting project teams will endeavour to:</p> <ol style="list-style-type: none"> a. Put people, the environment and affordability at the forefront of decision-making. b. Determine and address adverse effects from the existing and future wastewater and water schemes while meeting statutory requirements and balancing delivery of the four well-beings (cultural, social, environmental, and economic). c. Work collaboratively with mana whenua on the replacement of relevant wastewater and water consents located within their rohe. d. Recognise and plan for growth over the long-term (as per Whakatāne's Local Growth Plan). e. Support delivery of the Local Water Done Well 30-year implementation plan that supports balancing the funding and phasing of upgrades against affordability principles.

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

	<p>f. Identify preferred options, in a manner that appropriately considers agreed project objectives, the four wellbeing's, and relevant legislative frameworks.</p> <p>g. Develop resource consent applications and any other necessary approvals, to implement the preferred options identified.</p>
Programme (Project) Plan update	<ul style="list-style-type: none"> • Early review of recent information released around the Local Water Services Bill and proposed wastewater standards has identified possible optimisation of upgrades across a number of the wastewater consent replacements. This could result in amended scopes of work and consenting processes. • To support this, the Programme team sought to update the current draft Programme Plan to reflect any optimisation. • The Programme team are seeking confirmation from PSG that this approach is appropriate. <p>PSG endorsed for the programme team to bring the updated Programme Plan and Communications and Engagement Strategy back to PSG in May 2025.</p>
PSG Independent representative approach	<ul style="list-style-type: none"> • The PSG terms of reference allows for an independent representative to be appointed. • Given a number of key three waters strategy and supporting models are still being worked through, the Programme team sought advice from the PSG as to timing of implementing this role. <p>PSG directed the programme team to look at options to appoint an independent representative after the local government elections in October 2025.</p>
Draft Whakatāne Three Waters Strategy overview	<ul style="list-style-type: none"> • Glenn Cooper presented an overview of the draft Whakatāne District Waters Strategy to the PSG. • No direction was required at this time.
Programme progress report	<ul style="list-style-type: none"> • Progress update on programme delivery. • The like for like water consents will be advanced in the short term, as these are not impacted by the proposed standards in the Local Water Services Bill. • Need to make sure that we have ongoing communications with iwi/hapū and our communities, so they are well informed on the programme.

4.2. Local Water Done Well – Bill 3

The Local Government Water Services Bill (the Bill) had its first reading in Parliament on 17 December 2024. This legislation proposes several key changes that will likely influence the Three Waters Consent Replacement Programme.

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

Taumata Arowai, the Water Services Authority, is currently seeking feedback on New Zealand's first proposed national wastewater environmental performance standards. The proposed standards aim to streamline the consenting process by establishing a consistent national standard for wastewater discharge quality, improving current wastewater performance, and simplifying the consenting process for local councils.

Decisions regarding wastewater arrangements, such as the location of plants and discharge points, will remain the responsibility of territorial authorities. Council's will continue to consult with their communities under local government legislation and apply to regional councils for new consents. The government plans to establish the first set of wastewater standards following the enactment of Bill 3.

The Local Water Done Well project will continue to report through Council on implementation including future updates on the Bill. The Three Water Consents Replacement Programme will take direction from elected members through LWDW, to inform the consenting programme.

4.3. Programme Budget

The following budget is included in the Long Term Plan 2024-34 for the Programme.

Activity	LTP Budget Years 1-3 (2024-2027)	LTP Budget Years 4-7 (2024-2027)	LTP Total (2024-2034)
WATER			
410031 - All Equalised Schemes Replacement of Water Take Consents	\$608,206	\$0	\$608,206
410118 - Rangitāiki Plains Replacement of Water Take Consents	\$283,264	\$126,028	\$409,292
412556 - Murupara Replacement of Water Take Consents	\$88,112	\$0	\$88,112
WASTEWATER			
510062 - Whakatāne Equalised across District Wastewater Discharge Resource Consents (Whakatāne, Edgecumbe, Tāneatua)	\$4,087,403	\$352,462	\$4,439,865
512504 - Murupara Wastewater Discharge Resource Consents	\$1,377,757	\$0	\$1,377,757
511016 - Murupara Wastewater Discharge monitoring	\$83,697	\$220,426	\$304,123
TOTALS	\$6,528,439	\$698,916	\$7,227,355

Notes to Table

1. Cost code 511016 has been split out within the programme to show monitoring components.
2. There is an additional amount of \$266,400 of budget carried forward from the 2023/24 year. This is not included in the LTP amounts outlined above.

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)**4.3.1. Programme Budget Management**

The current allocated budget of \$7.2M within the LTP 2024-34 is for planning activities to replace consents and does not include any upgrades following consent approvals. These will be budgeted as part of future Annual Plan and Long Term Plan deliberations and decisions.

4.4. Programme Resourcing

Key programme roles are now in place. Other roles to be further confirmed as relevant project scopes and timings are agreed, include:

1. **Project Manager Whakatāne / Edgecumbe wastewater** - a long-term project manager will be appointed once future project scope is confirmed following Council workshop in April.
2. **Project Manager Tāneatua wastewater and Waimana water** - role will be coordinated with Tūhoe. The programme iwi engagement advisor (Jackie Wineti-Gates) will also support.
3. **Project Manager Whakatane / Ohope water** – to be determined with the Three Waters Manager (Jim Finlay).

4.5. Programme Progress

The following table summarises the current programme and progress to date on relevant projects:

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

Project	Date	Progress
WASTEWATER CONSENTS		
Whakatāne and Edgecumbe Wastewater	2024 - 2027	<p>The options for Edgecumbe wastewater will now be confirmed through the development of the Waters Strategy to be completed by July 2025.</p> <p>Associated with this option was consideration of a potential partnership with Fonterra for developing a combined wastewater treatment plant (WWTP) and discharge system. This option, while investigated and discussed in good faith, is not financially feasible. The risk for Council managing an industrial waste stream would also have needed thorough investigation. This option is not being pursued at this time.</p>
Tāneatua Wastewater	2024 - 2027	On hold whilst the district wide waters strategy is developed and further clarity from LWDW is gained.
Murupara Wastewater	2024 - 2027	<p>The Murupara Co-design Group, consisting of Ngāti Manawa and the Council, has been established. The Terms of Reference include relationship principles and outlay Ngāti Manawa's aspirations - including the removal of wastewater discharge from the Rangitāiki River - have been agreed upon.</p> <p>As Murupara is the most isolated town in the district, planning will proceed with the understanding that the wastewater strategy is unlikely to impact the project. However, wastewater standards and the implementation of local water initiatives will influence potential investment and consenting pathways. Understanding these impacts will be crucial in determining next steps, including how we advance co-design while upholding the agreed Terms of Reference.</p>

4.6. Co-Design Approach

Collaboration and co-design practices are in early stages, with progress to continue once three waters strategy and supporting local water done well models are further advanced. Current work includes:

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

Whakatāne / Edgecumbe Wastewater Consent Replacement	Co-Design approach in early stages of establishment. Draft Terms of reference in progress.
Murupara Wastewater Consent Replacement	Co-design group established in early 2024 with the Council and Te Rūnanga o Ngāti Manawa. Terms of Reference are in place.
Tāneatua Wastewater Consent Replacement	Co-design group established in early 2023 with the Council, Te Uru Taumatua, and Te Taraipara o Rūātoki Tribal. Draft Terms of Reference in progress. It is expected the co-design group will be reset following the appointment of a Project Manager after being on hold.
Water Consent Replacements	These projects are still in the development phase. They build on a comprehensive water roadmap that was developed in 2021. Standalone schemes with existing water supplies that the Council intends to apply for “like for like consents” will go through standard iwi and hapū consultative processes. This includes water supplies for Waimana, Tāneatua, Murupara, and Rugby Park irrigation. For more complex schemes necessitating broader strategies and changes to water sources or service areas, co-design or working groups involving iwi and hapū will be required. This pertains to projects such as the Whakatāne and Ōhope scheme, which includes potential integration with the Otumahi Scheme. When co-design groups are already established, such as those for wastewater projects, the Council will utilise these to establish or combine co-design initiatives for water.

5. Options Analysis - Ngā Kōwhiringa

No options have been identified at this time, relating to the matters of this report.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko**6.1. Assessment of Significance**

The decisions and matters of this specific report are assessed to be of low significance in accordance with the Council’s Significance and Engagement Policy. However, this report is part of a broader process that is, or may be in future, assessed to be of moderate significance.

The following criteria are of particular relevance in determining the future level of significance.

- **Level of community interest:** The Three Waters Consent Replacement Programme is expected to generate a moderate level of community interest. A communications and engagement plan will be developed for each of the significant projects which will include engagement with the wider community.
- **Rating / Financial impact:** The financial costs associated with the Three Waters Consent Replacement Programme are included in the Long-Term Plan (LTP) 2024-34. However, this does

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

not include the costs of the subsequent infrastructure upgrades that will be required due to the new consents.

- **Impact on Māori:** The consent replacement programme has a notable impact on Māori, given the strong cultural connections to land, water, and other taonga. The co-design approach with iwi and hapū is intended to ensure that the concerns and aspirations of Māori are integral to the programme's planning and execution.

6.2. Engagement and Community Views

Resourcing is in place to support with Council's ongoing communications and engagement on the programme. This includes the development of a programme level Communications and Engagement (C&E) Plan which is currently underway.

Relevant consent replacement projects will develop a project plan and include relevant place-based communications and engagement planning as part of this, aligned to the programme level C&E Plan.

7. Considerations - *Whai Whakaaro***7.1. Strategic Alignment**

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

7.2. Legal

Meeting the Resource Management Act requirements of replacing expiring consents for water and wastewater has been identified as a strategic project for the Council and is a legal requirement.

7.3. Financial / Budget Considerations

Project costs are being funded out of the budget for the Three Waters Consent Replacement Programme and are included in the Long Term Plan (LTP) 2024-34.

There is no budget considerations associated with the recommendations of this report.

7.4. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.5. Risks

Risk	Description and/or Mitigation
The current 2026 timeframe for replacing the majority of the identified consents will be very challenging to meet, especially for consents associated with the four wastewater treatment plants, given the amount of technical work, partnerships, and community engagement required.	<p>The programme team will keep across the new Draft Local Water Services Bill which currently includes a two year extension.</p> <p>Each project will develop a project plan and include adequate planning for any interim approach that may need to be taken if the timeframe(s) cannot be realistically met.</p>

8.2 Three Waters Consent Replacement Programme Update Report – April 2025(Cont.)

Risk	Description and/or Mitigation
Obtaining the necessary resource consents will be challenging due to the complex nature of the projects, especially wastewater consents.	The most effective way of mitigating this risk is through the partnership and collaborative approach process with iwi and hapū that is being implemented as part of the relevant projects.
Recruiting the right level of skills and experience into the approved roles may prove challenging given the current demand for three waters expertise and support across local government in New Zealand.	The programme team are using all recruitment methods and staff advice available to help mitigate this risk.

8. Next Steps – E whai ake nei

- Continue to engage with central government on three waters including the Local Government Water Services Bill.
- Continue to manage the Programme Steering Group as per agreed terms of reference.
- Continue recruitment processes for relevant roles once projects are scoped and planned delivery is well understood.

Attached to this Report:

- There are no attachments to this report.

8.3 Matatā Wastewater Project Update - April 2025**8.3 Matatā Wastewater Project Update - April 2025**

To: **Infrastructure and Planning Committee**

Date: **Thursday, 10 April 2025**

Author: **J Joyce / Programme Manager**

Authoriser: **D Bewley / GM Planning, Regulatory and Infrastructure**

Reference: **A2843380**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to update the Infrastructure and Planning Committee on the Matatā Wastewater Project.

2. Recommendation/s - *Tohutohu akiaki*

THAT the Matatā Wastewater Project Update - April 2025 report be **received**.

3. Background - *He tirohanga whakamuri*

Matatā currently does not have a reticulated wastewater scheme, which means that individual landowners are reliant on their existing on-site septic tank system arrangements. The Council, supported by the Ministry of Health and the Bay of Plenty Regional Council, has a long history of attempts to implement a reticulated wastewater system. The community is currently serviced by individual septic tanks, which are causing a number of issues

Monitoring has detected elevated levels of faecal indicator bacteria and nutrients, particularly downstream of Matatā. The likely sources of contamination are the septic tanks within Matatā, which pose risks to public health and contribute to environmental degradation and poor water quality, raising cultural concerns and constraining growth and development due to the absence of reticulation.

Several significant consequences will persist in the absence of an appropriate wastewater treatment and disposal solution in Matatā. These include ongoing environmental degradation and public health risks, as well as the possibility that some homes may fail to meet relevant standards, potentially becoming uninhabitable or requiring a maintenance zone that mandates costly upgrades without effectively addressing the underlying issues. Both the Bay of Plenty Regional Council and Toi Te Ora Public Health have expressed concern and expectation on Council to action relevant mitigation regarding the environmental and public health impacts of the current situation.

Through the Council's 2021-31 Long Term Plan (LTP) and 2024-24 LTP, Council has committed to a project to deliver a wastewater solution for Matatā as a matter of priority and implementing the solution as soon as practicably feasible, recognising community, legislative and funding requirements.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)**4. Discussion – Kōrerorero****4.1. Project - Current Status**

As at March 2025 the core technical work for the Matatā Wastewater Project is complete. This includes:

- Co-design approach designed, implemented and successfully operated throughout the project over the last three years.
- Three years of comprehensive technical work including over two years of environmental monitoring.
- Multiple technical reports completed to support the four Phase 3 technical workstreams (as outlined in 4.2).
- Recommended wastewater system option endorsed by the co-design group.
- Tahi Hill Farm (56 hectares) purchased to support location of the treatment plant and a proportion of land-based irrigation.
- Business case developed (currently about 80% complete) to support future funding and co-investment discussions both internal and external to Council. The business case will be finalised once decisions on project are confirmed.

4.2. Phase 3 Technical Work

All Project Phase 3 workstreams are now complete or have final draft reports confirmed. Relevant technical work and reports will inform the resource consent process if approved by Council.

These include:

1. Cultural Narrative (complete);
2. Wastewater System Options Analysis Report (complete);
3. Environmental Monitoring Programme - Groundwater (complete) and surface water (complete) quality reports; and
4. Land Option Analysis (confirmed draft) and Environmental Assessment of Effects Report (confirmed draft).

The completion of the land option analysis and effects assessments relies on confirming the specific receiving environment, including any additional required land. The area of land required will be influenced by planned growth (Spatial Plan and Local Growth Strategy) and the role of Matatā in district-wide wastewater management (Wastewater Strategy). Therefore, these reports will remain in draft until the next steps for the project are confirmed.

5. Directive Strategy and Legislation required

The Project team consider that the technical work supporting the Matatā Wastewater Project is complete at this stage of the Project. However, there are a number of key strategic projects underway either at central government level or within Council, that will influence and need to inform further decisions on the Project.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)**5.1. Local Government Water Services Bill**

The Local Government Water Services Bill (the Bill) is currently before Parliament. The Bill proposes the implementation of wastewater environmental performance standards by requiring local authorities to enforce standards that are no more stringent than the standard.

Taumata Arowai, the Water Services Authority, is currently seeking feedback on New Zealand's first proposed national wastewater environmental performance standards. The proposed standards aim to streamline the consenting process by establishing a consistent national standard for wastewater discharge quality, improving current wastewater performance, and simplifying the consenting process for local councils.

The proposed standards will eliminate this case-by-case assessment by setting a uniform standard nationally for broadly defined receiving environments. However, they do not cover discharges to air, the reuse of treated wastewater for non-potable purposes, or contaminants of emerging concern, such as endocrine disruptors, PFAS (per- and poly-fluoroalkyl substances), and heavy metals. Onsite wastewater treatment systems, including septic tanks and community-operated schemes, are also excluded. These will continue to be managed through the current consent/assessment of effects process.

5.1.1. *Decisions on Wastewater Arrangements*

Decisions regarding wastewater arrangements, such as the location of plants and discharge points, will remain the responsibility of territorial authorities ("TAs") and their communities. TAs will continue to consult with their communities under local government legislation and apply to regional councils for new consents in line with community preferences. Bill 3 proposes that regional councils apply wastewater standards in new consents without imposing more restrictive conditions. If infrastructure meets the standards, a 35-year consent must be issued in order to maximise the value of public investment. The Government plans to establish the first set of wastewater standards following the enactment of Bill 3.

5.1.2. *Treaty Settlement Impacts*

The relationship of Māori with land and water is a matter of national importance under Section 6 of the RMA, and many Treaty settlements are embedded in regional planning documents. While the standards are said to leave Treaty obligations intact, the proposal to give standards precedence over local planning documents raises uncertainty about how these obligations will be recognised in practice.

We will need to understand any inconsistencies this may have on the implementation of treaty settlements within the proposed framework. Our treaty partners are also reviewing the discussion documents and may also be submitting on this area.

5.1.3. *How this informs the Matatā Wastewater Project*

The implications for the Matatā Wastewater Project are currently under investigation. The proposed standards may offer a more cost-effective approach to consenting to the scheme, particularly if less land is needed (due to permitting higher application rates) or if discharge quality is lowered. However, should they be promulgated, the wastewater standards will need to be discussed and considered by the co-design group in the context of the project's objectives and previous work.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)**5.2. Eastern Bay of Plenty Spatial Plan**

Following community engagement in 2024, the Eastern Bay of Plenty Spatial Plan (the EBOP Spatial Plan) project will propose a 'preferred scenario' for growth for the sub-region. This includes looking at different growth nodes across the sub-region, including in Matatā. Any planning and investment decisions for significant infrastructure, such as a new wastewater scheme, will be implemented through the Local Growth Strategy.

The Matatā Wastewater Project needs to take into account the preferred growth scenario to support future planning and investment decisions, as well as any resource consent process, if approved by Council.

5.2.1. *Whakatāne Local Growth Strategy*

To support implementation of the EBOP Spatial Plan, Council is developing a Whakatāne Local Growth Strategy that will include further detail to support planning and implementation decisions.

With the completion of the EBOP Spatial Plan over the next couple of months, planning for growth and change will move from a sub-regional to a more local focus. Work on a Whakatāne District Local Growth Strategy has commenced, which will take forward the direction and high-level growth pattern adopted in the EBOP Spatial Plan.

A draft of the Whakatāne Local Growth Strategy is planned for November 2025 with a final Strategy completed by February 2026.

5.3. Interrelationship between growth and funding of infrastructure

The funding of three waters infrastructure is a significant long-term challenge facing local government in New Zealand. Large capital costs are required upfront to deliver projects, with debt needing to be repaid over the long term. The relationship between growth (housing and population) and the funding and delivery of supporting infrastructure is inextricably linked.

One of the key overarching objectives for the Matatā Wastewater Project is to provide for growth. It is important that the scale and timing of any planned growth is understood, to support further development of the project and subsequent business case for funding.

5.4. Te Niaotanga ō Mataatua ō Te Arawa Co-Design Group

It is important that Council work in partnership with Te Niaotanga ō Mataatua ō Te Arawa Co-Design Group on a preferred growth scenario for Matatā. A large proportion of land within the current residential zone is in Māori trust or multiple Māori ownership.

Co-design hui were held in person on Monday, 24 February 2025 and Monday, 31 March 2025 to outline project progress including the relationship between growth in Matatā and supporting infrastructure required including the wastewater project.

The co-design members support working with Council to identify the different landowners and how best to work together on engaging them in forward conversations and planning. This will include identifying the landowners' development aspirations and how these can be supported through this project and other processes including the Local Growth Strategy.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)**5.5. Whakatāne Waters Strategy**

The Whakatāne Three Waters Strategy is being developed to provide district-wide guidance and support integrated decision-making for three waters investments over the next 10 years and beyond. This strategy will incorporate industry trends and key influences, ultimately outlining investment pathways that balance compliance, community needs, affordability, and growth through a logical, staged approach.

As part of this work, the Matatā Wastewater Project will be assessed within the broader strategy, including exploring options, through co-design, to integrate with another scheme (such as Edgecumbe) for potential community-wide benefits. For example, this approach could enhance the economic viability of the Matatā scheme while also providing an efficient solution for the Edgecumbe community.

A draft of the Whakatāne Three Waters Strategy is expected by June, with the final version scheduled for completion by August 2025.

6. Next Steps

Finding a sustainable wastewater solution for Matatā has been a major focus for the Whakatāne District Council over the past three years. Following extensive research, planning, and collaboration, the technical team consider the technical investigation phase to be complete, marking a key milestone in the project.

As outlined in this report, there are a number of key national and local planning decisions underway that will shape the next steps for the Matatā Wastewater Project. Given the significant investment required for the Project, it is important that direction and detail from these strategic projects is well understood to inform next steps.

Once we have clear direction, the Project team will focus on implementation steps to ensure Matatā's wastewater solution aligns with future growth and environmental sustainability goals. The technical analysis undertaken to date for environmental monitoring, land analysis and wastewater system options analysis will not be impacted by a slight change in timeframes.

6.1. Community communications

To keep the community up to date on project progress, a special Rangitāiki panui (newsletter) has been developed as well as a media release. These will go public post the 10 April 2025 Infrastructure and Planning Committee meeting.

6.2. Watching brief for appropriate second property

The project still requires a second property to support additional irrigation as well as futureproof the project for the long-term. Council staff on the technical team continue to keep a watching brief for any land that may come up for sale. If an appropriate site becomes available, a separate report would be brought to Council to seek direction.

7. Project Progress Summary

The following table summarises progress to date on workstreams.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)

Task	Progress / Recent Actions Taken	Status
Co-Design Partnership Approach	<ul style="list-style-type: none"> Co-Design Group huis held monthly. 	Ongoing
Project Phase 1: Project Set Up	<ul style="list-style-type: none"> Phase 1 complete. 	Complete
Project Phase 2: Review Information and Identify Gaps	<ul style="list-style-type: none"> Phase 2 complete. 	Complete
Project Phase 3: Options Analysis and Resource Consent Application		
Cultural Narrative workstream	<ul style="list-style-type: none"> Cultural Narrative Report complete. 	Complete
Environmental Monitoring Programme workstream	<ul style="list-style-type: none"> The Environmental Monitoring Programme is complete. The Environmental Assessment of Effects Report is in confirmed draft, until such time as agreed actions for 2025 are complete and subsequent decisions made. 	Complete Confirmed draft
Wastewater System Options workstream	<ul style="list-style-type: none"> Wastewater Systems Analysis Report complete. 	Complete
Land Analysis Review workstream	<ul style="list-style-type: none"> Tahi Hill Farm secured. The Land Analysis Systems Report is in confirmed draft, until such time as agreed actions for 2025 are complete and subsequent decisions made. 	Complete Confirmed draft
Business Case	<ul style="list-style-type: none"> Draft business case underway. The business case will be updated to reflect agreed actions for 2025. 	
Resource Consent Application	<ul style="list-style-type: none"> This will follow and be informed by the other Phase 3 workstreams. 	
Project Phase 4: Resource Consent Approval Process		
	<ul style="list-style-type: none"> This will follow and be informed by completion of Phase 3. 	
Project Phase 5: Finalise for Detailed Design and Construction		
	<ul style="list-style-type: none"> This will follow and be informed by completion of Phase 4. 	

8. Pāhekoheko**8.1. Assessment of Significance**

The decisions and matters of this specific report are assessed to be of low significance in accordance with the Council's Significance and Engagement Policy. However, this report is part of a broader process that is, or may be in future, assessed to be of high significance.

The following criteria are of particular relevance in determining the future level of significance.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)

- **Level of community interest:** the expected level of community interest, opposition or controversy involved.
- **Level of impact on current and future wellbeing:** the expected level of adverse impact on the current and future wellbeing of our communities or District.
- **Rating impact:** the expected costs to the community, or sectors within the community, in terms of rates.
- **Financial impact:** the expected financial impact on Council, including on budgets, reserves, debt levels, overall rates, and limits within the Council's Financial Strategy.
- **Consistency:** the extent to which a proposal or decision is consistent with the Council's strategic direction, policies and significant decisions already made.
- **Reversibility:** the expected level of difficulty to reverse the proposal or decision, once committed to.
- **Impact on Māori:** the expected level of impact on Māori, taking into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga.
- **Impact on levels of service:** the expected degree to which the Council's levels of service will be impacted.
- **Impact on strategic assets:** the expected impact on the performance or intended performance of Council's Strategic Assets, for the purpose for which they are held.

8.2. Engagement and Community Views

Community engagement with residents and wider stakeholders continues on the project, including with direct neighbours of Tahi Hill Farm.

9. Considerations - *Whai Whakaaro***9.1. Strategic Alignment**

Providing a wastewater solution for the Matatā Community has been identified as a key strategic project for Council.

The Council has initiated a project to align several workstreams in a Local Growth Strategy. This will also start to implement the direction laid out in the EBOP Spatial Plan, but also align work underway on a waters Strategy, wastewater Strategy and transport planning. The funding and financing tools associated with delivering the required infrastructure to support growth will be planned, for inclusion in the next LTP.

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

9.2. Legal

Meeting the Resource Management Act requirements for the Matatā Wastewater Project is a legal requirement.

The service delivery of our waters (through the Local Waters Done Well project) may also influence the delivery of this project.

8.3 Matatā Wastewater Project Update - April 2025(Cont.)**9.3. Financial/Budget Considerations**

Project costs are being funded out of the budget for the Matatā Wastewater Project and are included in the 2024-34 LTP.

There is no budget considerations associated with the recommendations of this report.

9.4. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

9.5. Risks

Risk	Description and/or Mitigation
Project costs have been estimated by Council staff based on a stand-alone wastewater treatment plant discharging to land.	Cost estimates will continue to be refined, using expert technical advice, as options are further developed.
Obtaining the necessary resource consents.	<p>The most effective way of mitigating that risk is through the co-design and partnership approach process with iwi and hapū that is being implemented as part of this project.</p> <p>Ongoing communications and engagement with affected neighbours and the community forms part of the Phase 3 workstreams.</p>

10. Next Steps – E whai ake nei

Continue to support the Co-design Group on the collaborative co-design approach for the Matatā Wastewater Project.

Take into account any relevant direction from national and local legislation and strategy.

Continue wider community engagement, in partnership with the Co-design Group.

Attached to this Report:

- There are no attachments for this report.

8.4 Local Water Done Well – Options for Future Water Delivery**8.4 Local Water Done Well – Options for Future Water Delivery**To: **Infrastructure and Planning Committee**Date: **Thursday, 10 April 2025**Author: **W Vullings / Senior Advisor Strategy and Transformation**Authoriser: **D Bewley / GM Planning, Regulatory and Infrastructure**Reference: **A2857286****1. Reason for the report - *Te Take mō tēnei rīpoata***

The purpose of this report is to approve the water service delivery model options for public consultation (including signalling Council's preferred option) and the associated draft consultation document.

2. Recommendations - *Tohutohu akiaki*

1. THAT the Local Water Done Well – Options for Future Water Delivery report be received; and
2. THAT the Infrastructure and Planning Committee **approves** two options for public consultation regarding the future water service delivery model, including indicating a preferred option. The options are:
 - a Multi-Council Council-Controlled Organisation (CCO) – (the preferred option); and
 - an Internal Council Business Unit.
3. THAT the Infrastructure and Planning Committee **approves** the draft consultation document (Appendix B), and **delegates authority** for final approval to the Chief Executive should any further refinements be required; and
4. THAT the Infrastructure and Planning Committee **notes** that formal consultation is scheduled to take place from 17 April to 18 May 2025, followed by hearings on 5 June 2025.

3. Background - *He tirohanga whakamuri***3.1. Local Water Done Well**

The Whakatāne District Council continues to work through the Local Water Done Well (LWDW) suite of reforms set out by Central Government. Local Water Done Well is the government's new way of addressing the significant water infrastructure challenges across the country and replaces the previous Labour government's Three Waters Reform programme. New legislation applies to all water service delivery – water supply, wastewater, and stormwater – with the aim to ensure every community has access to safe, reliable, and sustainable water services. It also keeps assets in public ownership and lets each council decide the best option to deliver water for its community.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)

Local Water Done Well is being implemented in three stages, each with its own piece of legislation. This is summarised below, and more information is available on the [Department of Internal Affairs website](#).

3.1.1. *Repeal of previous water services legislation:*

In February 2024, the Government passed legislation to repeal all legislation relating to water services entities created under the previous government. The Act reinstated previous legislation related to the provision of water services (including local government legislation), restoring continued council ownership and control of water services, and responsibility for delivery.

3.1.2. *Establish framework and preliminary arrangements for the new water services system:*

The Local Government (Water Services Preliminary Arrangements) Act 2024 was enacted in September 2024 and establishes the Local Water Done Well framework and the preliminary arrangements for the new water services system. This Act establishes the requirement for councils to develop Water Services Delivery Plans by 3 September 2025; sets out the expectations of what those plans must cover; and provides streamlined consultation and decision-making processes for setting up future water services delivery arrangements.

3.1.3. *Establish enduring settings:*

The Local Government (Water Services) Bill was introduced to Parliament in December 2024 and is expected to be passed later this year. The Bill sets out key details relating to the water services delivery system, the economic regulation and consumer protection regime for water services, and changes to the water quality regulatory framework. Although not yet finalised legislation, the Bill contains critical elements that need to be considered and reflected in the work and decisions of Council now.

3.2. *Requirement to develop a Water Services Delivery Plan*

Under the Local Water Done Well legislation, all territorial authorities are required to prepare a Water Service Delivery Plan, and Implementation Plan, and submit it to the Department of Internal Affairs by 3 September 2025. Council must prepare a water services delivery plan that:

- identifies the current state of its water services.
- demonstrates publicly its commitment to deliver water services in a way that ensures that it will meet all relevant regulatory quality standards for its water services.
- is financially sustainable for the territorial authority.
- ensures that it will meet all drinking water quality standards; and
- supports its housing growth and urban development, as specified in its long-term plan.

Specific consultation requirements are also set out under new legislation that enable a more streamlined approach than the standard requirements set out in the Local Government Act. The Act does not require Council to consult on its draft or final water services delivery plan, but it must undertake consultation on the anticipated or proposed model or arrangement for delivering water services in its water services delivery plan. The Act provides that Council must identify at a minimum, both of the following two options for delivering water services:

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)

1. remaining with the existing approach for delivering water services; and
2. establishing, joining, or amending (as the case may be) the water services CCO or the joint local government arrangement.

3.3. Summary of Work Completed to Date

A programme of work is being undertaken to support Council to navigate the requirements of the Local Water Done Well reforms. The programme pulls together key Council staff alongside consulting specialists and subject matter advisors. The work programme also continues to involve engagement with neighbouring councils, iwi, and central government. The programme follows tight timeframes as prescribed under the new and pending LWDW legislation. The following provides a summary of key progress and milestones on Council's programme to date:

3.3.1. 23 October 2024 | Overview of LWDW

At the 23 October 2024 Council Briefing an update was provided on LWDW. The update provided an overview of LWDW requirements and sought feedback on the proposed approach for delivering against the LWDW legislative requirements.

3.3.2. 20 November 2024 | Setting strategic objectives for review of future water service delivery

At the 20 November 2024 Council Briefing a set of strategic objectives was reviewed by Council. Council elected members provided feedback on these objectives as well as on key priorities for Council as part of the water service delivery for the future. Assessment of options against Council's finalised strategic objectives is summarised in a later section of this report. A more detailed assessment is found in the full options analysis attached to this report.

3.3.3. 12 December 2024 | Shortlisting two water service delivery models for further exploration

At the formal [Council meeting of 12 December 2024](#), Council received an independent report from 'MartinJenkins' analysing the current state of our water services and providing high level options assessment for future water services delivery.

At this meeting Council shortlisted two options for further analysis. One was the option of a Council Internal Business Unit (enhanced status quo). The other was the option of joining a new water services organisation with neighbouring councils (Multi-Council CCO). It was noted in the current state review that an Internal Business Unit, with possible shared service arrangements (enhanced status quo) was unlikely to be financially sustainable without material increases in water revenues. A regional or sub-regional asset owning organisation was seen as the only option that would bring the scale needed for greater efficiencies and be able to access the debt and longer-term financing to address future challenges and affordability.

Council also considered, but discounted, the options of establishing a consumer trust organisation, which is either partly owned by council and a trust, or wholly owned by a trust, and the option of setting up a water services CCO on its own.

Other key outcomes from this meeting included the request to reassess existing expenditure projections in the Long Term Plan 2024-34 to ensure these are viable and sufficient to deliver to compliance standards, and to engage with the Minister of Local Government on support to facilitate potential joint arrangements with other councils.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)**3.3.4. December 2024 – January 2025 / Review of expenditure projections**

Following direction from Council in December 2024, work was undertaken to reassess Council's expenditure projections for water services to provide an appropriate basis for development of a Water Services Delivery Plan. The need for reassessment follows decisions taken in Council's Long Term Plan 2024-34 to push out three waters capital expenditure due to affordability constraints.

The review conducted by Tonkin & Taylor found Council capital expenditure and operating expenditure budgets would have to be increased substantially over the coming ten years, compared to the Long Term Plan in order to deliver the intended work programme and ensure regulatory compliance. In large part, the cost changes relate to the funding necessary to upgrade wastewater treatment plants to a legislatively compliant timeframe, and the operating expenditure associated with new capital expenditure projects.

Without making changes to other aspects of the work programme, the review would require the budget for the ten-year period 2024-34 to increase from \$190M set in the Long Term Plan to \$358M. Based on this initial review, this level of capital investment could not be delivered using an Internal Business Unit, as Whakatāne District Council would not have the required debt capacity.

3.3.5. January – March 2025 / Council remodels expenditure projections

Following the assessment undertaken by Tonkin & Taylor, Council has reprofiled the work programme and expenditure for three waters to ensure compliance with regulatory requirements, while also considering achievability and affordability. Revisions to the work programme enable meeting compliance standards with a reduced level of borrowing but would require reductions to some projects and their intended outcomes. The reprofiled approach also assumes reduced wastewater standards will be implemented, noting that these have not yet been finalised in legislation. The reprofiled capital work programme for the period ten-year period 2024-34 is \$216M – comparing to the Tonkin & Taylor assessment of \$358M.

Key changes to the work programme include:

- Prioritising funding of projects required to meet regulatory timeframes including drinking water compliance by 2028, and wastewater compliance by 2032.
- Removing Whakatāne WWTP upgrades (\$68M) – assessed as not required for new compliance standards, focusing on minor improvements using other planned capital funding.
- Removing Tāneatua WWTP (\$30M) – assessed as not required for new compliance standards, noting some small-scale UV / Aeration projects of \$2M-\$5M would be funded using budgeted small projects funding.
- Removing growth projects, and realigning investment to match population growth (as identified in the LTP2024-34) to reduce capital expenditure spend by \$18M.
- Rescheduling some capital expenditure budgets beyond 2032 for delivery.

To enable side-by-side comparison of future delivery options, the changes to the work programme have been applied to the financial modelling for both options including the Internal Business Unit and the Multi-Council CCO.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)**3.3.6. December 2024 - February 2025 | Engagement with the Minister of Local Government and DIA**

As agreed with Council in December 2024, Council engaged with the Minister of Local Government requesting support from DIA to facilitate progress on joint arrangements with other councils. Meetings were held in February 2025 with DIA officials to understand how they could best support and to consider if, and when, a crown facilitator might be required.

3.3.7. November 2024 – ongoing | Engagement with regional and sub-regional partners

WDC continues to actively engage with both regional and sub-regional partners on potential options for future water service delivery. Conversations and engagement is on multiple levels from mayoral and chief executive conversation to consider intentions at the political and strategic level through to the sharing of information between entities for detailed modelling. From January to March 2025 detailed analysis was carried out by 'MartinJenkins' on behalf of Western Bay of Plenty councils and later also Eastern Bay of Plenty Councils. A 'Joint Water Services Organisation Final Report' was delivered on 5 March 2025 to help inform analysis of options.

3.3.8. 26 March 2025 | Guidance on preferred service delivery model

At the Council briefing on 26 March 2025 councillors were presented with the detailed analysis and comparison of the two shortlisted options being (i) an internal business unit and (ii) Joining a new water services organisation with neighbouring councils (Multi-Council CCO). At the briefing elected members discussed the options.

While acknowledging the work that had been undertaken to try and make an Internal Business Unit financially viable and meet regulatory requirements, elected members noted that the risks associated with this option were significant. In particular, financial sustainability goes hand-in-hand with ongoing rate and water revenue increases, without the benefit of longer-term efficiencies that a Multi-Council CCO of some size was expected to deliver for consumers in outer years – after establishment costs had been worked through. The Council's ability to borrow for activities other than water would also be detrimentally affected. For those reasons elected members signalled a preference towards the Multi-Council CCO option.

Another aspect raised in the briefing was the possibility of a water CCO that borrows directly from banks or capital markets rather than through the Local Government Funding Agency (LGFA) – thereby avoiding the LGFA requirement for council guarantee, held as a charge over rates. Independent advisors 'Martin Jenkins' advised that a fully independent CCO is not a realistic option in the short-term; noting that a new CCO would lack the appropriate track record to enable favourable financing. Further, because LGFA shareholders and guarantors have indicated their support for Water CCOs to borrow via LGFA, this is a more likely scenario than a fully financially independent water services CCO. It is also acknowledged that other councils considering joint water CCOs are assuming these would borrow from the LGFA.

The early signal of a Multi-Council CCO as the preferred option has enabled staff to continue to progress elements of the project within tight timeframes such as development of the consultation document and other engagement collateral.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)**4. Options analysis - *Ngā Kōwhiringa*****4.1. The framework for options analysis**

In December 2024, the Whakatāne District Council agreed to focus on two shortlisted options for further analysis, having discounted other options as not appropriate in our context. The Options Analysis Report compares the shortlisted options through a four-part multi-criteria framework that applies and compares key judgements:

- Comparative analysis against strategic objectives set out by Council.
- Financial comparison against key metrics.
- Comparative overview of ownership, decision making and accountability structures.
- Additional considerations (*impact on remaining Council functions*).

A detailed 'Options Analysis Report' is attached to this report to support Whakatāne District Council's selection of a preferred approach.

4.2. Option 1: Joining a new water services organisation with neighbouring councils (Multi-Council CCO) – Recommended Option.

This option would see Whakatāne District Council and neighbouring councils form a new water services organisation. At this stage the likely options are for a possible Western grouping (Whakatāne, Western Bay, Tauranga) or a future Eastern grouping (Whakatāne, Ōpōtiki, Kawerau and Rotorua).

The new organisation would handle water services across all participating areas and take on each council's water-related debt and assets. A professional board of directors appointed by the councils, would run the organisation from day to day. While each participating council could guide the board through a Statement of Expectations and retain some key decisions, the Council wouldn't control every aspect of its work.

By 2034, the cost per water customer connection is estimated to be between \$3,120 and \$3,330 depending on who the partnering councils are in the Multi-Council CCO. Efficiencies by 2034 are estimated to be between 5.4% and 8.4%, with greater efficiency of between 14.4% to 23.3% estimated by 2044.

A summary of key advantages, risks and disadvantages for Option 1 (Multi-Council CCO) is set out below. Full analysis is found in the attachments to this Committee report.

4.2.1. Summary of key advantages, risks and disadvantages for Option 1 (Multi-Council CCO)

Key advantages	Key risks and disadvantages
Lower prices: Analysis indicates that this option would likely be cheaper than if we continued to deliver water services on our own. Customers could potentially save hundreds of dollars per year by 2034.	Less local control: We would share decision-making and control with other councils. Decision-making may feel distant to residents in smaller communities.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)

Key advantages	Key risks and disadvantages
<p>Specialist oversight: A professional, expert board can make informed decisions and respond quickly to service needs.</p> <p>Greater capacity: A larger combined organisation can hire more specialised staff and manage assets and new projects more effectively.</p> <p>Continuity of investment plans: The organisation would likely adopt the Council's investment plans in relation to water, noting the programme of investment in the long-term plan has been updated through this process to meet legislative requirements.</p> <p>Long-term savings: By combining resources (such as maintenance services) across multiple councils, the organisation can drive down costs over time.</p> <p>Efficient borrowing: The organisation can borrow at similar rates to councils, but takes a different borrowing approach that makes it easier to invest in infrastructure and maintain quality standards affordably.</p> <p>Better financial flexibility for our Council: With water debt removed from its books, we can redirect financial capacity to other priorities as needed.</p>	<p>Transition challenges: Establishing the organisation is a large task, and coordinating the transition of water services, staff and debt may be complex. We would also need to manage any impact on other council activities.</p> <p>Stranded costs: Some costs that are currently shared with water services may not be able to be transferred to the organisation meaning the Council could be left with some ongoing obligations.</p> <p>Uncertainty: There is uncertainty around who we would partner with, although productive conversations have occurred with all Councils in the Bay of Plenty. We would need to negotiate how the organisation is established and how our District's needs are met.</p>

4.3. Option 2: An Internal Business Unit

Under this option, we would continue to manage and deliver water services on our own, without partnering with other councils. We would be fully responsible for all day-to-day operations, maintenance, planning for future water needs, and repaying any water-related debt. To help meet new government requirements, we would set up a dedicated, ringfenced water services delivery unit within our existing structure. We could share certain services with neighbouring councils or contract some operations to an external water services organisation, but this would not provide the same level of cost savings as being a part of a joint water services organisation

By 2034, the cost per water customer connection is estimated to be \$3,330. Limited to no efficiencies are likely to be realised other than the marginal gains through potential shared services.

A summary of key advantages, risks and disadvantages for Option 2 (Internal Business Unit) is set out below. Full analysis is available in the attachments to this Committee report.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)**4.3.1. Summary of key advantages, risks and disadvantages for option 2 (Internal Business Unit)**

Key advantages	Key risks and disadvantages
<p>Local decision-making: The Council would decide on services and investments, solely focussed on the needs of the district.</p> <p>Seamless integration: Water services can be easily coordinated with our other responsibilities (such as district planning and transport).</p> <p>Community accountability: Communication remains straightforward, with us continuing to engage directly with residents on water issues.</p> <p>Familiar structure: Day-to-day operations remain largely as they are now, which can help minimise transition costs or confusion.</p> <p>Opportunity to share services: We could share services with neighbouring councils to try and reduce costs, or contract a water organisation to deliver services. This is not likely to lead to significant cost savings.</p>	<p>Higher prices: Analysis indicates that this option would be more expensive than if we joined a multi-council water services organisation. While the average cost per connection looks similar over the next ten years, after that a joint water services organisation becomes noticeably cheaper.</p> <p>Longer-term challenges need to be funded: We need to fund major water infrastructure upgrades over the next 15–30 years, which are likely to become more expensive over time. This could require substantial borrowing and limit our ability to invest in other important areas.</p> <p>Increasing requirements: We must meet tougher government regulations on our own, which may lead to higher rates or more borrowing in the future.</p> <p>Limited opportunity for efficiencies: We wouldn't benefit from economies of scale that might come from partnering with other councils, potentially raising our long-term operating costs.</p>






















4.4. Comparison of options

Analysis has been completed of the advantages, risks, and disadvantages for the two shortlisted options. The analysis does not discount or invalidate either option, and as has been shared with Council elected members at various stages of the analysis, the best option for Whakatāne District comes down to what is valued most.





Side by side analysis would indicate that the options differ in terms of financial viability and also carry different strategic advantages and disadvantages. Of particular note, the short term financial impact is relatively neutral between the two options but favours the Multi-Council CCO option (option 1) over the longer term. This said, there are multiple considerations that need to be carefully compared alongside the financial implications. The table below provides an assessment of options against strategic objectives set by Council.

At the 26 March 2025 briefing, Council informally signalled a preference towards the Multi-Council CCO option, and this has in turn informed the development of the consultation document and other engagement collateral. This said, it is acknowledged that some elected members wished for more time to work through the information and consider their position. For clarity, a formal decision is now required from this report to select the preferred option.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)**4.5. Summary of assessment against strategic objectives (MartinJenkins)**

STRATEGIC OBJECTIVES	OPTION 1 Multi-Council CCO		OPTION 2 Internal Business Unit
	Western Grouping WDC, TCC, WBOPDC, and possibly others.	Eastern Grouping WDC RDC, KDC and ODC.	Dedicated ring-fenced water services unit within WDC.
Effective and financially sustainable delivery of water services for the Whakatāne District communities, now and into the future			
Protects and promotes public health and the environment - meeting regulatory requirements			
Water services are resilient to natural hazards and climate change			
Integrated water services and infrastructure planning that promotes efficient, equitable, and integrated delivery			
Affordable fit for purpose service to consumers and communities that meets the needs, and expectations of our District communities			
Responsibilities to hapū and iwi are met			
Remaining council operations are viable and continue to deliver on communities' expectations			

Legend:

-  Stronger alignment to objective(s)
-  Consistent with objective but some risks
-  Moderate alignment to objective(s)
-  Does not meet objective(s)

4.6. Draft consultation document for approval

A draft consultation document is attached to this report. It is requested that this be approved by the Committee as the basis for public consultation, subject of course to being consistent with the Committee's selection of a preferred option. Should the preferred option differ from the informal signal shared by Council at the 26 March 2025 briefing, the consultation document would need to be adjusted accordingly.

To enable final adjustments to the consultation document before release (if required), the recommendations of this report include a request that final approval be delegated to the Chief Executive. This would enable the project to keep moving at the required pace, within tight timeframes.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)**5. Significance and Engagement Assessment - *Aromatawai Pāhekoheko*****5.1. Assessment of Significance**

The recommendations of this report commit Council only to consultation on options for a future water service delivery plan. While this particular decision in itself is of low significance, it is acknowledged to be part of a stepped process that will lead to decisions of high significance across multiple of Council's Significance and Engagement Policy criteria.

Accordingly, Council is approaching the decision process with appropriate due care, consideration, and support from specialist advisors. Council has commenced an information and engagement campaign to support this decision process, continues to consult with key stakeholders as part of the campaign, and will undertake a formal public consultation process to ensure consideration of community views in the final decision.

5.2. Engagement and community views**5.2.1. *Communication and engagement plan - 'Wai - It Matters'***

A communication and engagement plan is in place to support this programme of work. The plan provides a multi-faceted and multimedia programme of activities and embraces the objectives set out below. The plan complies with legal requirements for consultation (noting that there are specific engagement pathways enabled under new LWDW legislation).

Objectives of the communication and engagement plan:

- To raise awareness.
- To support and enable understanding.
- To build trust.
- To provide for stakeholder engagement.
- To encourage community participation in decision-making.

Numerous public education activities are ongoing across a numerous digital, social and traditional media including Facebook, Instagram, YouTube, LinkedIn, newsprint, newsletters, and radio for example. You can find the ['Wai - It Matters'](#) campaign on Council's website and social media platforms.

5.2.2. *Targeted stakeholder engagement*

Alongside the general communication and engagement activities, targeted stakeholder conversations are already underway and continuing with both internal (to Council staff) and external stakeholders. The targeted stakeholder engagement activities range in their purpose and intent depending on those involved including to support awareness and understanding of LWDW, provide information on how and when those interested can have their say, and to help inform Council's shaping of the options and final decision. Examples of targeted stakeholder engagement includes:

- Iwi (directly and via the Iwi Policy Hub).
- Three Waters Operational Staff (face to face GM presentation).
- Organisation wide staff (Teams GM presentation).
- Community Boards presentation and discussion.

8.4 Local Water Done Well – Options for Future Water Delivery(Cont.)

Additionally, at the technical project level engagement continues with key stakeholders such as neighbouring local authorities, Taumata Arowai, and DIA for example.

5.2.3. Formal consultation

The recommendations of this report are a required key step towards formal consultation – i.e. the formal approval of shortlisted options and the selection of a preferred option, will form the basis of the consultation conversation and consultation document. Formal consultation is scheduled for the period 17 April to 18 May 2025 and to be followed by hearings on 5 June 2025, if required.

An overview of the formal consultation activities is as follows:

- Online survey - [Koreromai.whakatane.govt.nz/wai-it-matters](https://korero.mai.govt.nz/wai-it-matters).
- Consultation stands – Civic Centre, Te Kōputu, Murupara Service Centre, and the Ōhope and Edgumbe libraries.
- Marketing campaign across digital media, social media, radio and print.
- Face to face stakeholder events/pop-in sessions.
- Honoa Hapori vans visiting satellite towns.
- Day set aside for hearings 5 June 2025.

6. Considerations - *Whai Whakaaro***6.1. Financial/budget considerations**

There are limited budget or risk considerations associated with the recommendations of this report which only commit Council to consultation on options. The funding of work to date on the LWDW is sourced from the remainder of the government transitions funding, and from within existing Council budgets.

It is acknowledged that this report is part of a stepped process that will lead to decisions that may have major financial considerations. The financial analysis and implications are a critical aspect of the decision making process for this matter and will continue as a central feature of the structured options analysis framework.

6.2. Climate change assessment

There are limited climate change considerations associated with the recommendations of this report which only commit Council to consultation on options. Based on this climate change assessment, the decisions and matters of this report are assessed to have low climate change implications and considerations, in accordance with the Council's Climate Change Principles.

It is recognised that the wider Local Water Done Well discussion can be assessed to have major climate change implications and considerations. As such, the consideration of resilience to climate change is one of seven strategic objectives set by Council to guide its decision making through the reforms.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins**7. Next steps - *Ahu whakamua*****7.1. Next steps of this process**

Immediate next steps of the process are set out below. The steps towards transition and implementation will be subject to the final option that is approved.

Date	Next step
10 April 2025 (this meeting)	Council approve preferred option and consultation document
17 April - 18 May 2025	Formal public consultation period
5 June 2025	Hearings if required
26 June 2025	Summary of consultation feedback and deliberations on delivery model
14 August 2025	Adoption of final water services delivery plan
3 September 2025	Final date for water services delivery plan to be submitted to DIA
September 2025+	Transition to commence - subject to finalised option
1 July 2028	New delivery model required to be implemented and operational

8. Attachments

- **Appendix A** - Options Assessment Report – MartinJenkins
- **Appendix B** - Draft Consultation Document for local water service delivery options
- **Appendix C** - Draft Designed Consultation Document (example only – content not updated)

8.4.1 Appendix A - Options Assessment Report - MartinJenkins

Local Water Done Well – Options assessment

Final report to inform the discussion of the Whakatāne District Council
Infrastructure and Planning Committee meeting on 10 April 2025

MARTIN
JENKINS

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Preface

This report has been prepared for Whakatāne District Council by MartinJenkins.

For over 30 years MartinJenkins has been a trusted adviser to clients in the government, private, and non-profit sectors in Aotearoa New Zealand and internationally. Our services include organisational performance, employment relations, financial and economic analysis, economic development, research and evaluation, data analytics, engagement, and public policy and regulatory systems.

We are recognised as experts in the business of government. We have worked for a wide range of public-sector organisations from both central and local government, and we also advise business and non-profit clients on engaging with government.

Kei te āwhina mātau ki te whakapai ake i a Aotearoa. We are a values-based organisation, driven by a clear purpose of helping make Aotearoa New Zealand a better place. Our firm is made up of people who are highly motivated to serve the New Zealand public, and to work on projects that make a difference.

Established in 1993, we are a privately owned New Zealand limited liability company, with offices in Wellington and Auckland. Our firm is governed by a Board made up of Executive Partners and Independent Directors. Our Independent Directors are Sophia Gunn and Chair David Prentice. Our Executive Partners are Sarah Baddeley, Nick Carlaw, Allana Coulon, Nick Davis, and Richard Tait. Michael Mills is a non-shareholding Partner of our firm.



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

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This Disclaimer supplements and does not replace the Terms and Conditions of our engagement contained in the Engagement Letter for this assignment.

Table of contents

Executive summary	5
Update on context	7
Options available to Whakatāne District Council	16
Options assessment	18
Comparative assessment – Strategic objectives	20
Comparative assessment – Financial comparison	26
Comparative assessment – Ownership, decision making and accountability	33
Comparative assessment – Rest of Council considerations, key risks and mitigations	36
Additional considerations for standing up a water services organisation	39
Next steps	42

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Executive summary

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Executive summary

This report presents an assessment of water service delivery options for Whakatāne District Council (WDC), in response to Local Water Done Well (LWDW).

LWDW introduces new legislative requirements and higher expectations for councils to ensure their water services are sustainable and compliant over the long term.

WDC has considered multiple options. This report focuses on the three main options available to the Council:

- *an internal water services unit*
- *a joint water services organisation (WSO) with councils in east Bay of Plenty*
- *a joint WSO with councils in west Bay of Plenty.*

This report is intended to support WDC's decision-making as it prepares to consult with the community on its proposed future arrangements for water service delivery.

WDC faces cost pressures and future investment requirements that need to be considered when assessing the options for future water service delivery arrangements.

Like many councils, WDC faces numerous challenges including ageing infrastructure, consistently meeting regulatory requirements, and growing pressures from climate change.

Reflecting this, upgrading assets to meet regulatory requirements is a focus of WDC's 10-year capital programme and is an important consideration when considering future arrangements for water services delivery. Independent engineering analysis confirmed that WDC's investment plans for water services, which have increased planned investment over the current LTP, are expected to meet regulatory standards.

In responding to the government's LWDW policy and considering the future challenges, the Council has sought to explore how an inhouse water services unit, or a collaborative approach with neighbouring councils to the east or west (via a joint WSO), would support robust and affordable water services for the district now and into the future.

The assessment found that joining forces with other local authorities is likely to unlock greater

financial capacity for WDC and water services, and would help to reduce price increases for consumers, compared to delivering water services internally. It would also provide access to specialised expertise for water services which would help to safeguard water quality and reliability, particularly when meeting new regulatory standards and resilience needs in the future.

However, establishing a joint WSO can raise concerns about local influence and while there are mechanisms to protect this, the Council will need to be satisfied that it can achieve the level of influence it seeks to have, balancing this with other objectives including affordability.

The Council will need to make a series of judgments to determine which option will best provide for the Whakatāne District's future water service delivery needs. This report is intended to support Council to make those judgments, well informed by analysis of the available service delivery options.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Update on context

Decisions to date

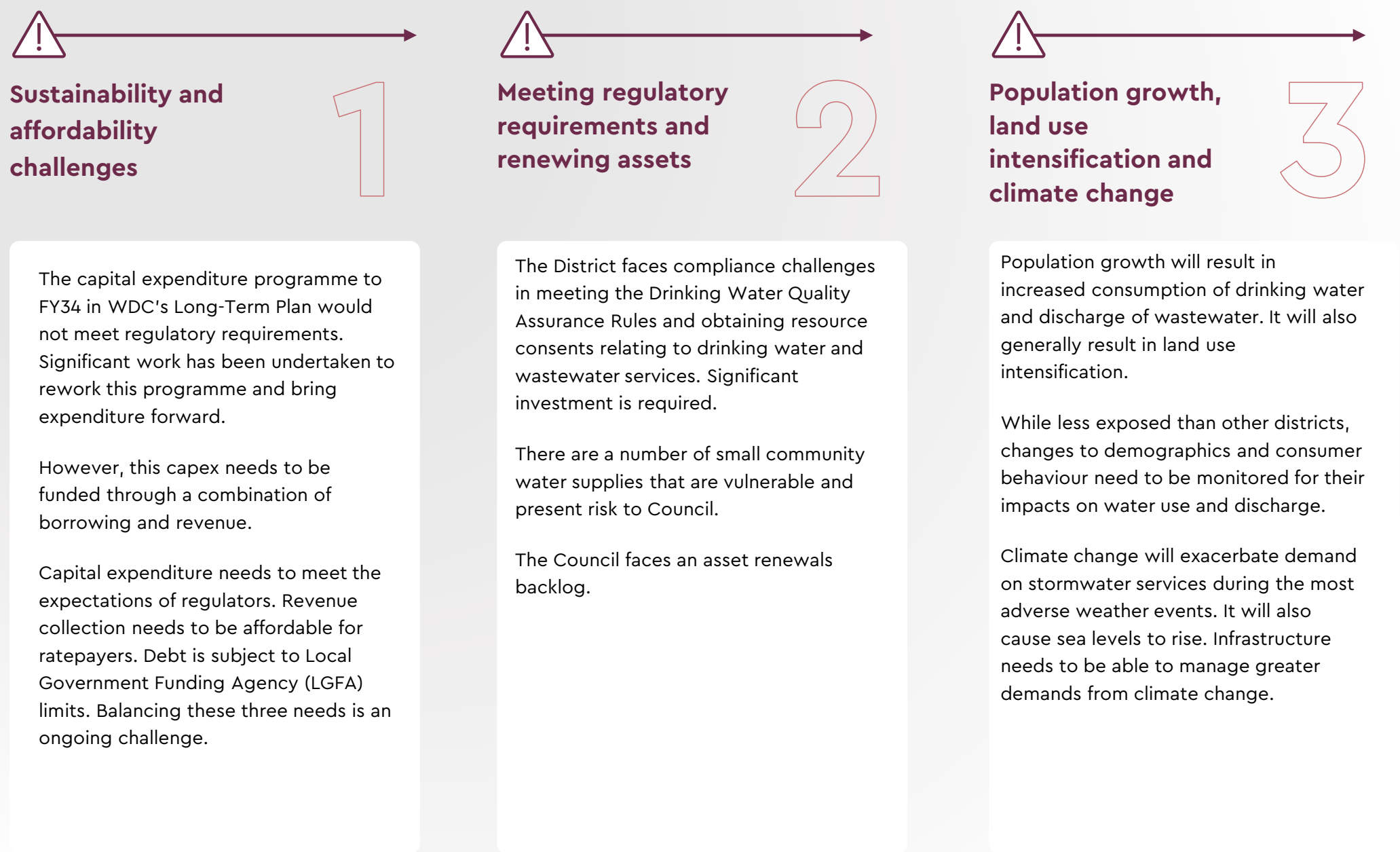
Council considered our high-level options assessment on 12 December. At that meeting, Council:

1. **Received** the 'Local Water Done Well – Water Service Delivery Options' report.
2. **Authorised** the Chief Executive to:
 - a. Further explore opportunities with Tauranga City Council (TCC) and Western Bay of Plenty District Council (WBOPDC) and others for a potential joint water services council-controlled organisation.
 - b. Assess the existing capex and opex spend profile in the WDC Long-Term Plan 24/34 to determine if a staged approach to achieving compliance is viable, including engaging with the Department of Internal Affairs (DIA), Bay of Plenty Regional Council (BOPRC) and the Water Services Authority on requirements to comply with legislation.
3. **Instructed** the Chief Executive to write to the Minister requesting support from DIA to facilitate progress on joint arrangements with other councils, including potentially the appointment of a Crown Facilitator to help the Council explore potential joint arrangements with other councils.
4. **Noted** staff will return to Council by end March 2025 with two shortlist options for future water service delivery (which will be used for community consultation).

This report provides further analysis of the two shortlisted options to support a Council decision on its preferred option in preparation for public consultation.



Recap: WDC strategic context and challenges



Recap: Your agreed strategic objectives

STRATEGIC OBJECTIVES

Efficient and financially sustainable delivery of water services for the communities of the Whakatāne District, now and into the future

Protects and promotes public health and the environment
- meeting regulatory requirements

Water services are resilient to natural hazards and climate change

Integrated water services and infrastructure planning that promotes efficient, equitable, and integrated delivery

Affordable fit for purpose service to consumers and communities that meets the needs, and expectations of the communities of the Whakatāne District

Responsibilities to hapū and iwi are met

Remaining council operations are viable and continue to deliver on communities' expectations

This is a long-term decision
Consider which of these are most important



Recap: Summary of prior findings (Viability & Sustainability Assessment, December 2024)

You are facing some challenges that may impact your ability to meet your strategic objectives in the longer-term (10+ years).

Consistent compliance with drinking water standards has been a challenge

Resource consents expiring for four wastewater treatment plants, with regulatory uncertainty about national standards

Infrastructure resilience challenges due to geography, and exposure to natural hazards and climate change impacts

Challenges associated with operating multiple water and wastewater schemes across the district with a small ratepayer base

Affordability pressures exacerbated by significant investment requirements, rising costs and low household incomes

Workforce challenges, which may become more pronounced with the establishment of water services council-controlled organisations in neighbouring areas



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Recap: summary assessment from previous analysis

OPTIONS	CHOOSE OPTION IF...	KEY ADVANTAGES	KEY DISADVANTAGES
<div>1</div> Internal business unit with possible shared service arrangements (enhanced status quo)	<p>...Analysis confirms this is financially achievable, Council wants least change to status quo and is confident it can meet new LWDW requirements in the short- to medium-term.</p> <p><i>This option is unlikely to be financially sustainable without unaffordable increases in water revenues, based on our current state review.</i></p>	<ul style="list-style-type: none">• Ease of implementation, and ongoing flexibility.• Integrates well with existing Council functions and infrastructure planning.• Unlikely to create stranded costs or adverse impacts on rest of Council.	<ul style="list-style-type: none">• Affordability and financing challenges if capital expenditure needed to comply with LWDW is brought back into the 10-year plan.• Potential workforce attraction and retention risks, exacerbated if neighbouring councils form a larger entity.• Benefits of potential shared services still to be explored with neighbouring councils, but not likely to materially alter the financial position.• Does not provide any scale economies.
<div>2</div> Standalone council-owned water organisation (WSCCO)	<p>...Council can meet LWDW requirements on its own but needs additional debt capacity offered through LGFA. This would require a significant adjustment in the current funding approach.</p> <p><i>This option is unlikely to be financially sustainable without unaffordable increases in water revenues, based on our current state review.</i></p>	<ul style="list-style-type: none">• Greater access to debt (compared to Option 1) to meet future challenges and enable additional investment in resilience.	<ul style="list-style-type: none">• Affordability challenges if capital expenditure needed to comply with LWDW is brought back into the 10-year plan.• Significant efficiencies likely to be limited due to lack of scale and may be diseconomies of scope.• Some loss of oversight and control by elected members.• Potential implementation risks.
<div>3 a</div> <div>3 b</div> Regional or sub-regional asset owning water organisation	<p>...There are mutual benefits to Council from partnering with others to establish a joint organisation and Council is confident in design of prioritisation mechanism, and ability for communities to engage.</p> <p><i>These two options have similar advantages and disadvantages, albeit dependent on the mix of participating councils. The key differences between the options relate to the potential scale efficiencies and level of complexity with increasing number of councils involved.</i></p>	<ul style="list-style-type: none">• Scale efficiencies likely to be greatest under these options.• Potential integration with neighbouring councils to better manage demographic, environmental compliance and spatial planning challenges.• Access to debt, and longer-term financing to address future challenges and affordability.• Greatest ability to attract and retain workforce.	<ul style="list-style-type: none">• No formal commitment from potential partners to explore options at this point in time.• No certainty about the design of the model, including mechanisms for agreeing shared priorities and expectations across councils and engaging with hapū and iwi.• Stranded costs are likely (but may be mitigated through careful transition planning).• Potential for diseconomies of scope (e.g., loss of integration with spatial planning, transport).• Higher costs and timeframe for implementation.



Recap: conclusions from previous analysis

OPTIONS	CONTINUE TO EXPLORE?
1 Internal business unit with possible shared service arrangements (enhanced status quo)	Yes – the provisional findings showed that the current delivery model would not meet financial sufficiency tests. However, Council needs to continue to consider how it can meet LWDW requirements on its own for consultation given multi-council options were not well advanced at this stage.
2 Standalone council-owned water organisation (WSCCO)	No – the provisional findings showed that the additional borrowing capacity of this option is unlikely to be sufficient to achieve financial sustainability without unaffordable increases in water revenues.
3 Regional/sub-regional asset owning water organisation	3a Yes – strong future benefits. Opportunity existed to approach TCC and WBOPDC to join development of option for consultation (TCC/WBOPDC already have joint work underway to explore this option). It may be more straightforward to secure commitment to explore this option than to pursue a region-wide option. 3b Yes – strong future benefits. CE-level discussions have been held but requires a firmer mandate and commitment from participating councils to progress towards development of a more tangible option for consultation within Water Services Delivery Plan timeframes.
4 Water services organisation owned by community trust	No – Trust Horizon confirmed it is only able to fund energy related investments under its Deed. Further, a community trust cannot borrow through the LGFA and therefore can only access debt finance at less favourable rates.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Further work since December



Our advice in December

We recommended further considering two options :

1. an internal business unit (which could include exploring shared services arrangements with neighbouring councils), and
2. a regional/sub-regional asset owning water organisation, potentially involving Tauranga City Council and Western Bay of Plenty District Council (and others).



Subsequent developments

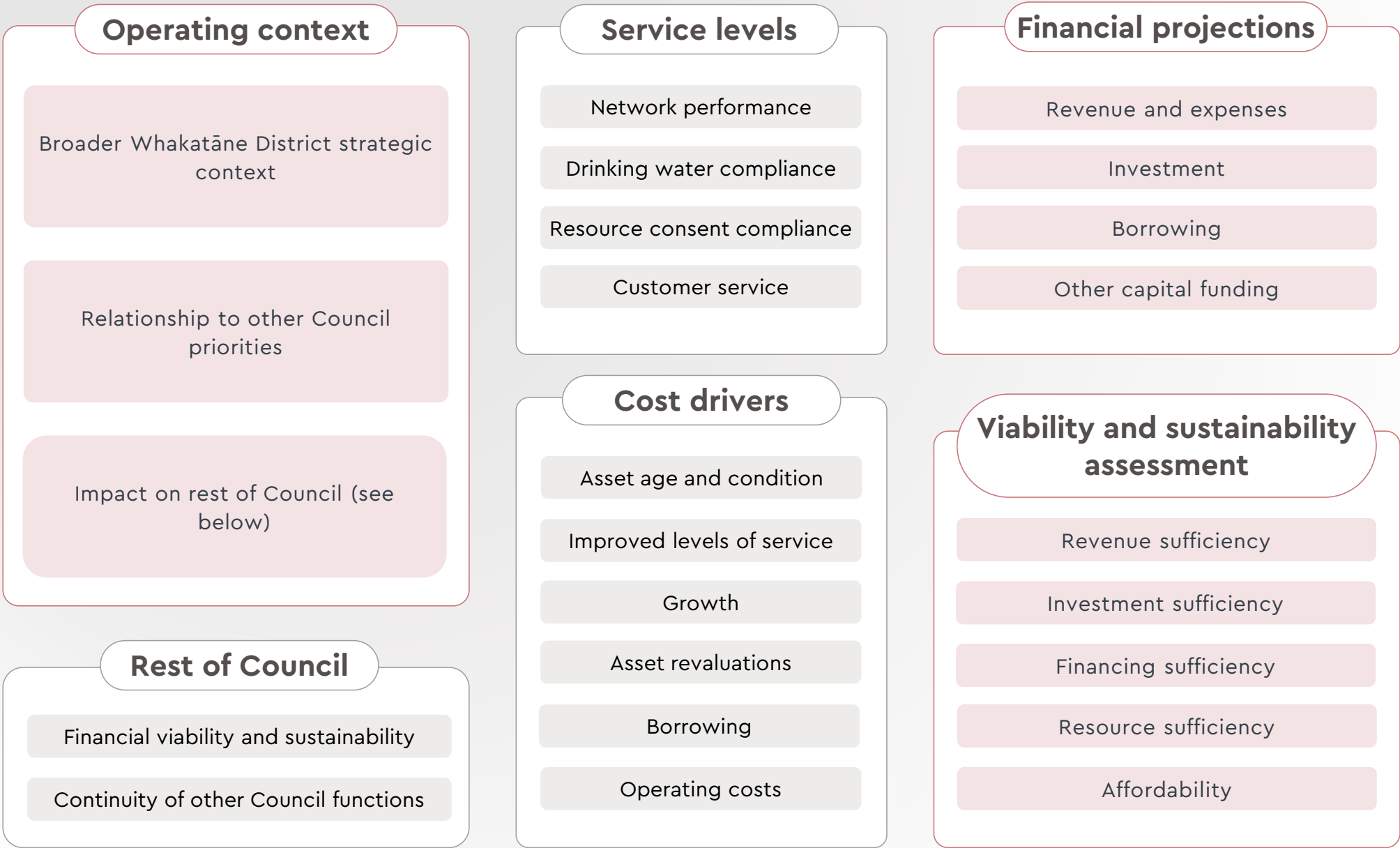
We have worked with council officers to further explore the two options in further detail.

Since Council considered our initial options assessment:

- Discussions to form a joint water services CCO with **all** councils in the Bay of Plenty region have not progressed significantly but conversations between Mayors and CEOs are ongoing.
- WDC's capex programme has been refined following additional work by Tonkin & Taylor, meetings with regulators (Water Services Authority, BOPRC, and DIA) and subsequent revisions by council officers. We have updated our financial modelling to incorporate this revised capex programme. See slide 23 for more information.
- WDC participated in exploratory modelling of a 'West BOP' CCO option with Tauranga, Western BOP, and Thames Coromandel.
- Tauranga City Council and Western Bay of Plenty District Council have agreed their preferred option is to form a joint CCO, with option for other councils to join.
- WDC sought advice from DIA on the viability of a joint water services CCO working with Rotorua Lakes, Kawerau District, and Ōpōtiki District Councils. MartinJenkins has refined the initial DIA modelling of this option to enable a "like for like" comparison of options.
- **This detailed options assessment report has focused on the following options:**
 - **Standalone business unit**
 - **Jointly-owned water services council-controlled organisation (WSCCO) with Tauranga City and Western Bay of Plenty District Councils ("West CCO")**
 - **Jointly-owned WSCCO with Rotorua, Ōpōtiki and Kawerau ("East CCO")**



Various assessments and existing information mean you are well placed to make a decision



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

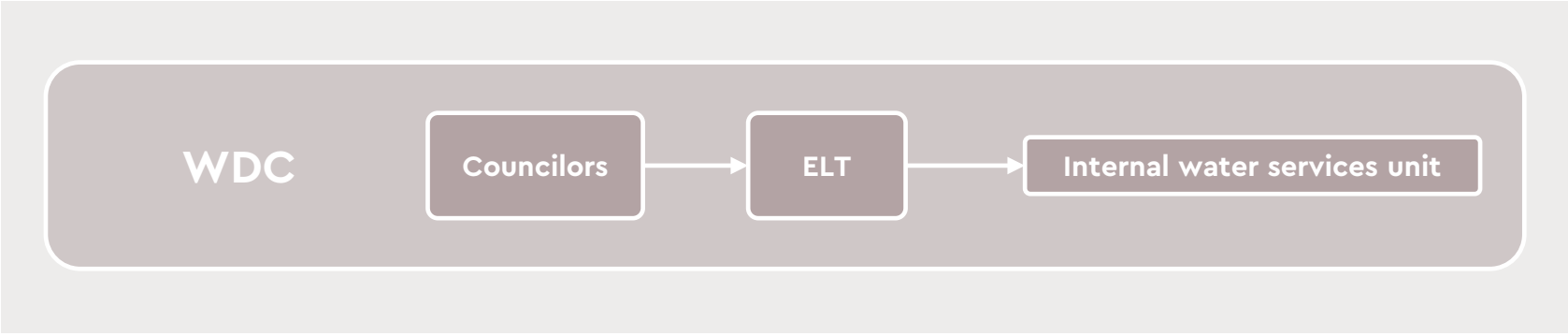
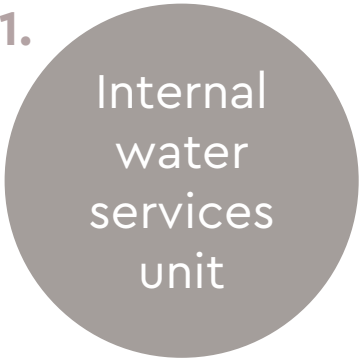
Options available

to Whakatane District Council

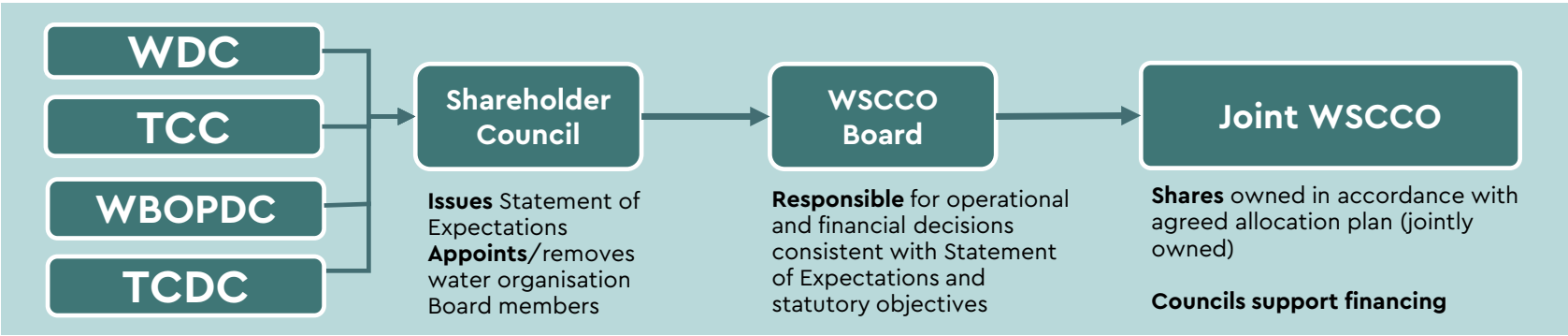
8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Three options have been considered

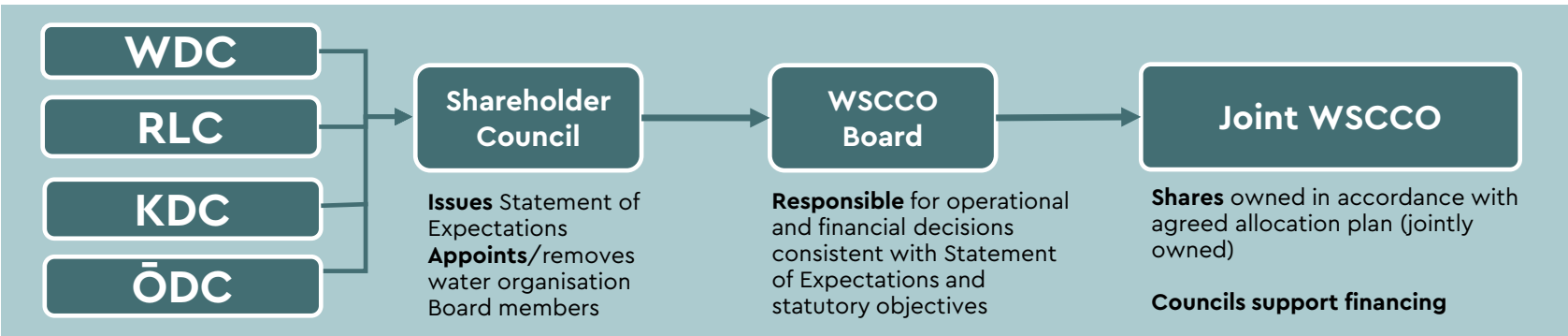
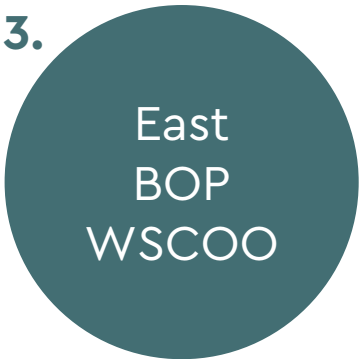
1.



2.



3.



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Options assessment

A large teal rectangular area occupies the center of the page. On the left side of this area, the words "Options" and "assessment" are stacked vertically in a large, white, sans-serif font. On the right side of the teal area, there are several overlapping, light-colored geometric shapes, including squares and rectangles with rounded corners, some of which are rotated diagonally.

Key judgements to inform decision making

Comparative assessments have been undertaken for each option, against a series of financial and non-financial considerations.

Comparative assessment against strategic objectives

The Council has agreed a set of strategic objectives, against which the options were assessed. These can be broadly placed into two categories:

- effective and affordable delivery, and
- community needs.

Comparative financial assessment

There are several key financial metrics which options were assessed against:

- investment and revenue sufficiency
- average cost per connection
- debt position of the council, with and without water services delivery, and
- future level of efficiencies.

Impact on remaining council functions

The factors considered to assess the degree of impact on the rest of Council were:

- the impact on the Council's 'residual' financial position of transitioning water services to a separate WSO, or meeting ring-fencing requirements, and
- the level of cost that Council would need to fund from other activities (that is, stranded costs) that may not transfer to an internal water services unit or a joint WSO.

Additional considerations

This includes key risks, a comparative overview of ownership, decision making and accountability structures.



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Comparative assessment

Strategic objectives

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Reminder: Your agreed strategic objectives

Strategic objective	Key Elements
Efficient and financially sustainable delivery of water services for the Whakatāne District community, now and into the future	<ul style="list-style-type: none">• Financial sustainability, a requirement under the new legislation incorporates:<ul style="list-style-type: none">– revenue sufficiency – water charges generate sufficient revenue to meet the full costs of service delivery including opex, interest and depreciation– financing sufficiency – Council must be able raise the borrowing required to finance investment and generate the cash surpluses required to repay debt as it falls due, and– resource sufficiency – the future model will have sufficient resource to operate water services sustainably, and the management of those resources is effectively and efficiently undertaken.• Ring-fencing: Councils will be required to prepare separate financial statements for each water activity group, and for water services as a whole.• Operate in accordance with best commercial and business practices.
Protects and promotes public health and the environment – meeting regulatory requirements	<ul style="list-style-type: none">• Investment sufficiency: Councils undertake the investment they need to maintain existing assets, meet regulatory requirements, and provide for seasonal demands, consistent with current asset management plans including:<ul style="list-style-type: none">– maintaining compliance with drinking water standards– maintaining good standards of environmental protection, and– anticipating and planning for meeting national standards and resource consent requirements.
Water services are resilient to natural hazards and climate change	<ul style="list-style-type: none">• Investment sufficiency to meet current and future resilience needs and enable effective response to emergencies from natural hazards.• Appropriate level of financial capacity to respond to unexpected shocks.
Integrated water services and infrastructure planning that promotes efficient, equitable, and integrated delivery	<ul style="list-style-type: none">• Support integrated planning and decision-making around rural and urban water network planning, including addressing low growth, changing demographics and peak (seasonal) demand.• Coordination with wider district and infrastructure planning to align water services planning effectively and efficiently.• Appropriate levels of service, including how these are reflected in differential charges, ensuring equitable access.
Affordable fit for purpose service to consumers and communities that meets the needs, and expectations of the Whakatāne District community	<ul style="list-style-type: none">• Affordability – the projected increase in water charges is affordable for the community.• Strength of mechanisms for local voice and influence provided for in the model, for example customer engagement regarding service levels, investment and prices.• Act in best interests of present and future consumers and communities.• Fit for purpose – delivering only what is necessary to meet the specific needs of the community, without excess (that is, value-for-money).
Responsibilities to hapū and iwi are met	<ul style="list-style-type: none">• Giving effect to Council's responsibilities arising from Treaty settlements.• Strength of processes and mechanisms for engaging with hapū and iwi to ensure meaningful participation in water services decision-making and delivery.
Remaining council operations are viable and continue to deliver on communities' expectations	<ul style="list-style-type: none">• The Council needs to be able to sustainably deliver its core services and meet communities' expectations.



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Part 1: Analysis against strategic objectives – 1/4

STRATEGIC OBJECTIVE	INTERNAL BUSINESS UNIT	WEST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION	EAST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION
Efficient and financially sustainable delivery of water services for the Whakatāne District community, now and into the future	<ul style="list-style-type: none">Will require revenue increases over and above LTP financial projections to meet financial sustainability requirements.Council will face additional costs associated with achieving ringfencing, including new planning and audit requirements, and levies from the Water Services Authority and Commerce Commission.Potential for limited efficiency gains from shared services arrangements.	<ul style="list-style-type: none">Efficiencies are likely from economies of scale. While dependent on the mix of councils involved, the most significant scale benefits come with the inclusion of TCC/WBOP which is likely to progress – see slide 30.Greater access by CCO to debt allows investment to meet future challenges to be spread over generations.A multi-council, asset-owning organisation including a larger council (like TCC) is likely to deliver greatest benefit to communities.	<ul style="list-style-type: none">Some efficiency gains expected, but to a lower degree than efficiency gains expected under a West CCO option – see slide 30.
Protects and promotes public health and the environment - meeting regulatory requirements	<ul style="list-style-type: none">Revised capex profile incorporates investment necessary to achieve compliance and has been tested with regulators.Revised Council plans for investment largely align with needs but represent an ambitious capital programme against historic delivery rate (not to mention affordability implications which are considered on slide 32).	<ul style="list-style-type: none">The strongest option against this criteria. A West CCO would offer the greatest capacity to invest.Strongest ability to meet drinking water quality and environmental regulatory requirements through increased investment capacity.Carries risk that funding may be prioritised towards the needs of other councils, however mitigations exist.	<ul style="list-style-type: none">Greater debt capacity available to the organisation to invest.Strong ability to meet drinking water quality and environmental regulatory requirements through increased investment capacity.Carries risk that funding may be prioritised towards the needs of other councils, however mitigations exist.Relative to West CCO, may be easier to manage tensions between urban and rural areas and between strengthening existing networks and providing for growth.

Legend: Red text denotes possible risk

Consistent with objective but has some risks

Moderate alignment to objective(s)

Stronger alignment to objective(s)

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Part 1: Analysis against strategic objectives – 2/4

STRATEGIC OBJECTIVE	INTERNAL BUSINESS UNIT	WEST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION	EAST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION
Water services are resilient to natural hazards and climate change	<ul style="list-style-type: none">Revised capex programme adds necessary compliance investments, which will also improve compliance with drinking water quality assurance rules and wastewater discharges.However, other discretionary investment in improved levels of service and climate resilience has been moved out.Limited capacity for responding to any shocks relating to natural hazards.Council borrowing limits will be largely utilised for water infrastructure, which may limit Council's ability to make other resilience investments (for example in the roading network).	<ul style="list-style-type: none">Greater debt capacity should make it possible to enhance investment in climate resilience and improve levels of service.	<ul style="list-style-type: none">Likely to have some capacity for additional investment relative to internal business unit.
Integrated water services and infrastructure planning that promotes efficient, equitable, and integrated delivery	<ul style="list-style-type: none">Retains interface between spatial and water infrastructure planning.All infrastructure planning and delivery managed under "one roof".	<ul style="list-style-type: none">Integration with common boundary councils likely to support better alignment on growth planning across the region but this may be less important than coordinating spatial and infrastructure planning within district boundaries.Creates greater need for collaboration between councils and CCO to plan for and fund growth.May be harder to agree shared priorities for growth and development across councils with divergent community interests.Complexity will be broadly proportionate to the number of councils involved and differences in communities of interest (for example urban city vs. rural/provincial).	

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Part 1: Analysis against strategic objectives – 3/4

STRATEGIC OBJECTIVE	INTERNAL BUSINESS UNIT	WEST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION	EAST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION
Affordable, fit for purpose service to consumers and communities that meets the needs, and expectations of the Whakatāne District community	<ul style="list-style-type: none">Probably the least affordable of shortlisted options.Strong community voice mechanisms and direct accountability to communities.Ability to meet future growth and resilience requirements could be challenging.Water debt may constrain other council activities and limit financial flexibility to deal with shocks such as natural disasters.	<ul style="list-style-type: none">Probably the most affordable of the three options but expected savings to ratepayers depend on the mix of councils and whether prices are harmonised.Organisation would need to be able to respond to diverse needs of a broader consumer base (would need to be addressed through design of consumer engagement mechanisms).CCO would need to determine community voice mechanisms and would likely replicate some existing consumer consultation and engagement activities specific to water services.Subject to consumer protection regulations, including independent dispute resolution.Economic regulation regime would be expected to drive a customer focus with requirements to engage communities.Would require agreed transition path including approach to harmonisation of investment plans and water charges.Harder to agree shared priorities and expectations across councils with divergent community interests.	<ul style="list-style-type: none">Possibly more affordable by FY34 than internal business unit as indication of affordability on slide 32 shows the upper end of expectations. Compared with internal business unit option, the East CCO has higher establishment costs and annual opex. Efficiencies are lower than for a West CCO.Probably more affordable than an internal business unit by FY44.Organisation would need to be able to respond to diverse needs of a broader consumer base (would need to be addressed through design of consumer engagement mechanisms).CCO would need to determine community voice mechanisms and would likely replicate some existing consumer consultation and engagement activities specific to water services.Subject to consumer protection regulations, including independent dispute resolution.Economic regulation regime would be expected to drive a customer focus with requirements to engage communities.Would require agreed transition path including approach to harmonisation of investment plans and water charges.Harder to agree shared priorities and expectations across councils with divergent community interests.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Part 1: Analysis against strategic objectives – 4/4

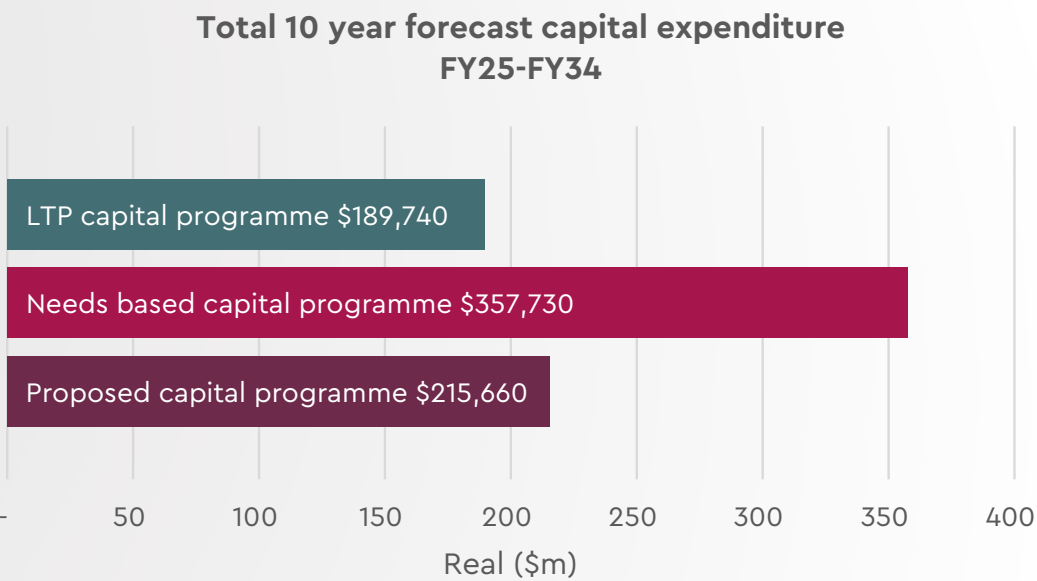
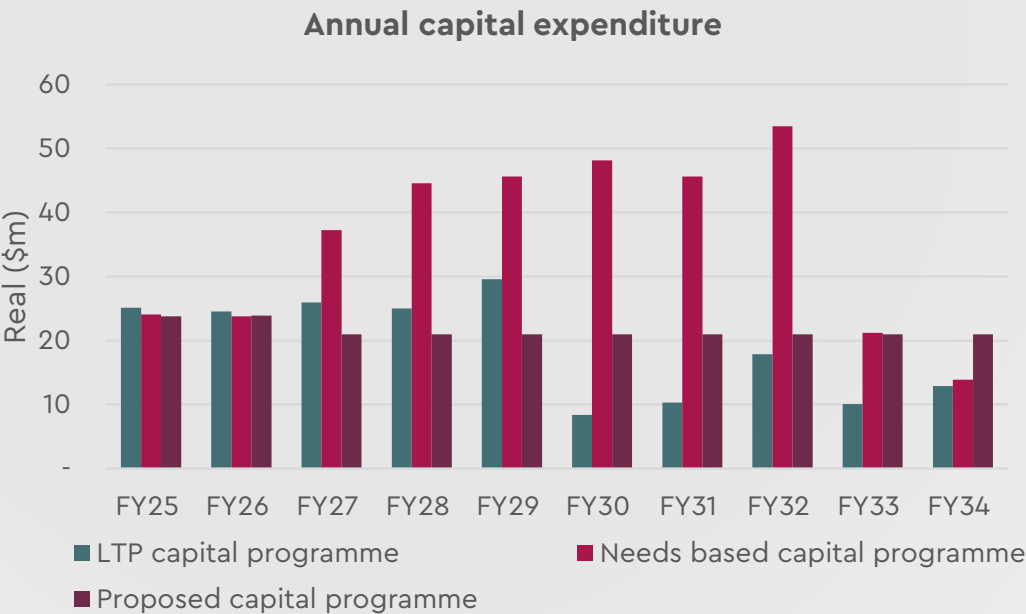
STRATEGIC OBJECTIVE	INTERNAL BUSINESS UNIT	WEST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION	EAST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION
Responsibilities to hapū and iwi are met	<div></div> <ul style="list-style-type: none">Ability to make use of existing mechanisms and channels for engagement partnership.	<div></div> <ul style="list-style-type: none">New engagement and partnership mechanisms would need to be developed to meet the needs and expectations of increased numbers of hapū and iwi.There may be a preference for smaller/existing boundaries. Direct engagement with hapū and iwi is required to explore this, including on the potential for greater investment capacity under multi-council options.	
Remaining council operations are viable and continue to deliver on communities' expectations	<div></div> <ul style="list-style-type: none">This option puts significant strain on the Council debt position – see slide 31.	<div></div> <ul style="list-style-type: none">Yes – this option leaves Council with more debt headroom to fund other activities and unexpected expenses – see slide 31.	<div></div> <ul style="list-style-type: none">Yes – this option leaves Council with more debt headroom to fund other activities and unexpected expenses – see slide 31.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Comparative assessment

Financial comparison

The capital investment programme has been refined



Capital programme

WDC's capital expenditure projections have been revised by council officers to ensure compliance with regulatory requirements, while also considering achievability and affordability.

The LTP proposed a capital programme totalling \$190 million (in real terms) over the forecast period, with just over half of this forecast to renew existing assets and the vast majority of the remainder to improve levels of service. This compares with a needs-based programme developed by the Council totalling \$358 million.

Tonkin & Taylor were engaged to review the LTP capex programme to determine additional investment required to meet regulatory requirements, particularly in regard to wastewater infrastructure. This was further refined by council officers following discussions with the Water Services Authority (Taumata Arowai) and Bay of Plenty Regional Council. This capital

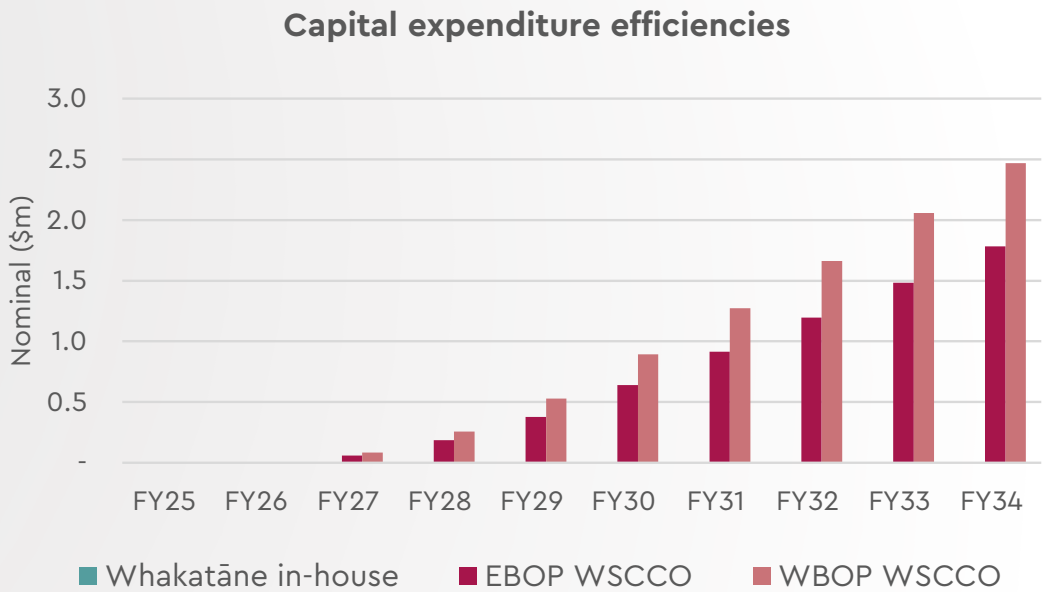
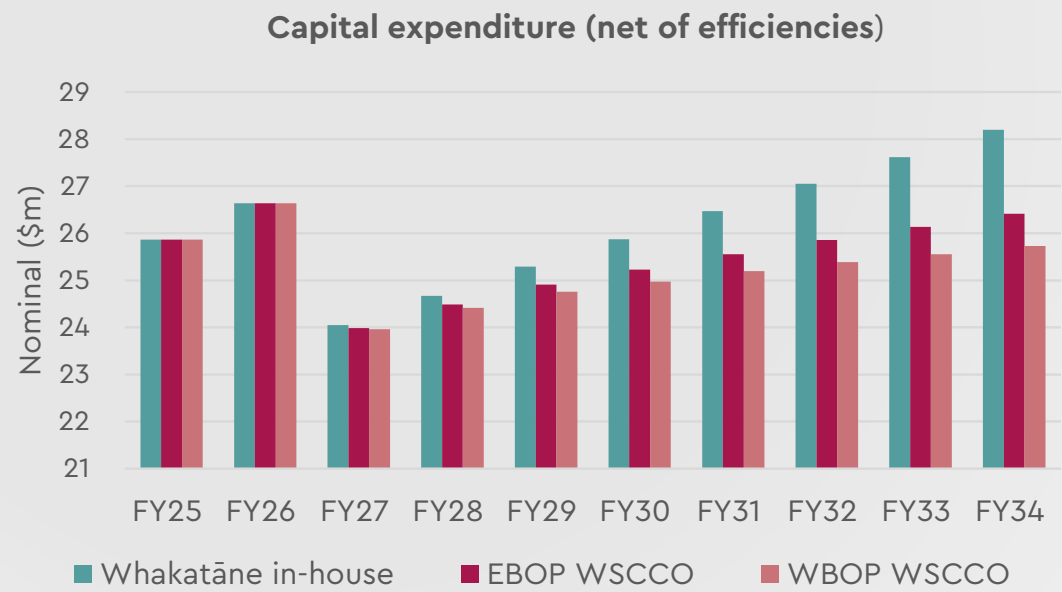
programme was subsequently reviewed by Beca for consistency with proposed national wastewater environmental performance standards, noting there remains some uncertainty regarding the final form and application of new national standards.

The final capital programme totals \$215.7 million over ten years and forms the basis for financial modelling undertaken for this options assessment.

Under this final capital programme, drinking water infrastructure will be compliant with regulatory requirements by 2028, and wastewater infrastructure will be compliant by 2032 (noting there is some uncertainty with the final wastewater standards).

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Capital expenditure



Capital expenditure

This slide demonstrates the benefit of the capex efficiencies that we anticipate could be realised through a joint water services organisation. These efficiencies have the effect of lowering expenditure on capital projects over time, noting that the underlying capital programme (projects to be completed) would not change.

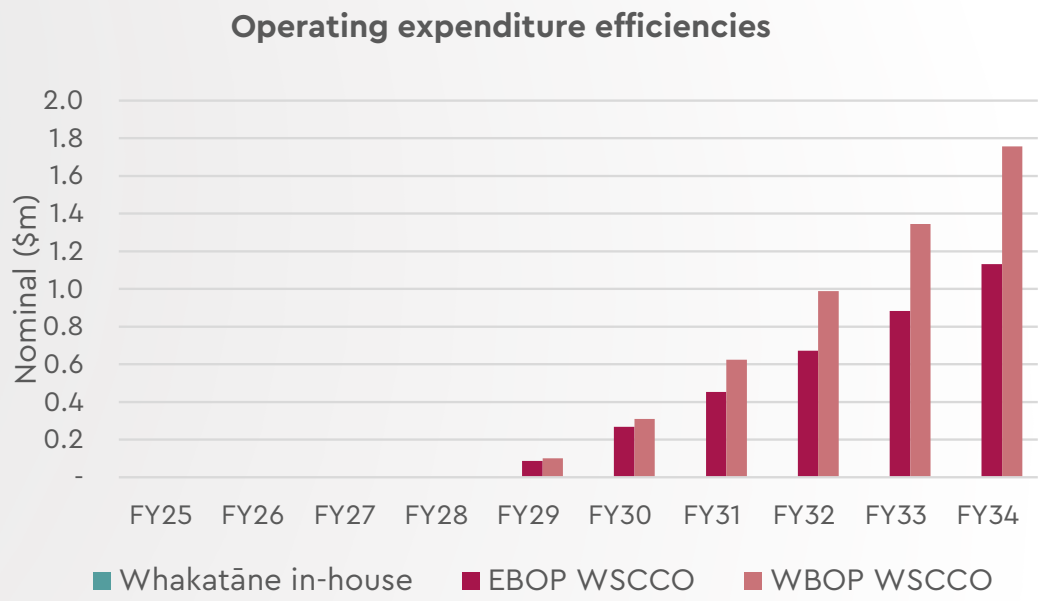
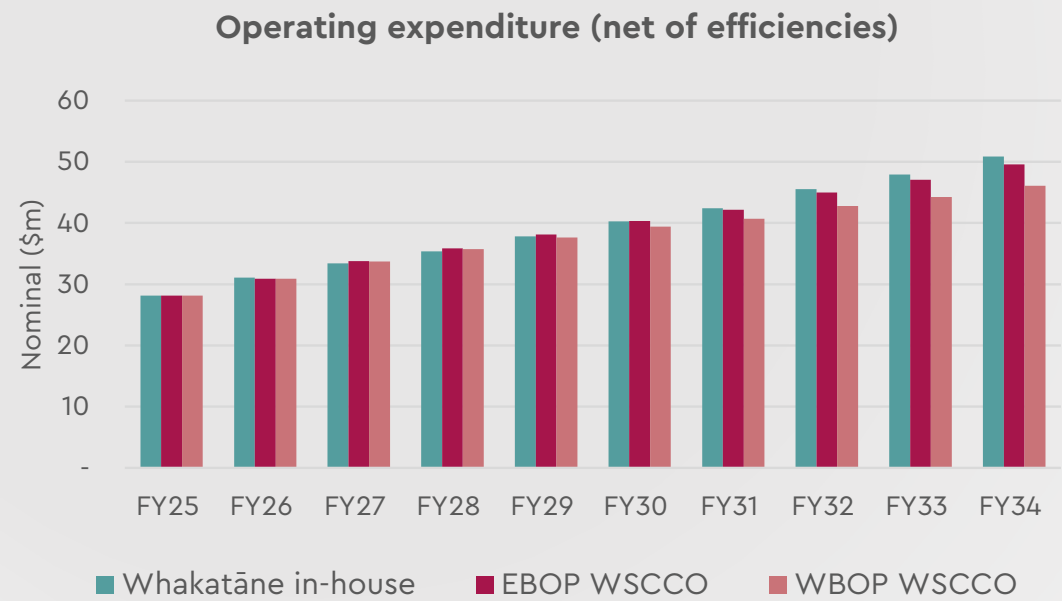
As discussed earlier, the 10 year capital programme totals \$215.7 million in today dollar terms, which equates to \$261.7 million in inflated dollars. It is this inflated programme that is reflected above. By joining a multi-council WSCCO, this \$261.7 million programme is forecast to be delivered for between \$6.6 - \$9.2 million less.

The forecast WBOP capex efficiency rate exceeds the forecast EBOP rate owing to a greater number of connections in a WBOP WSCCO. Efficiencies are cumulative, in that we expect small incremental improvements in annual capital efficiency over time. Capex efficiencies are expected to continue to build beyond FY34 – see slide 30 for an indication of future efficiency gains.

	Cumulative efficiency (FY34)	Peak efficiency (FY44)
In-house capex efficiency	0%	0%
EBOP WSCCO capex efficiency	5.8%	14.9%
WBOP WSCCO capex efficiency	8.8%	20.8%

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Operating expenditure



Operating expenditure

Operating expenditure is initially higher for a joint water services organisation compared with an internal business unit. This is because a joint water services organisation entails higher governance costs (due to incorporating the costs of running the shareholder council, the cost of running the water organisation board (including director fees), and upfront establishment costs). These cost are avoided with an internal business unit.

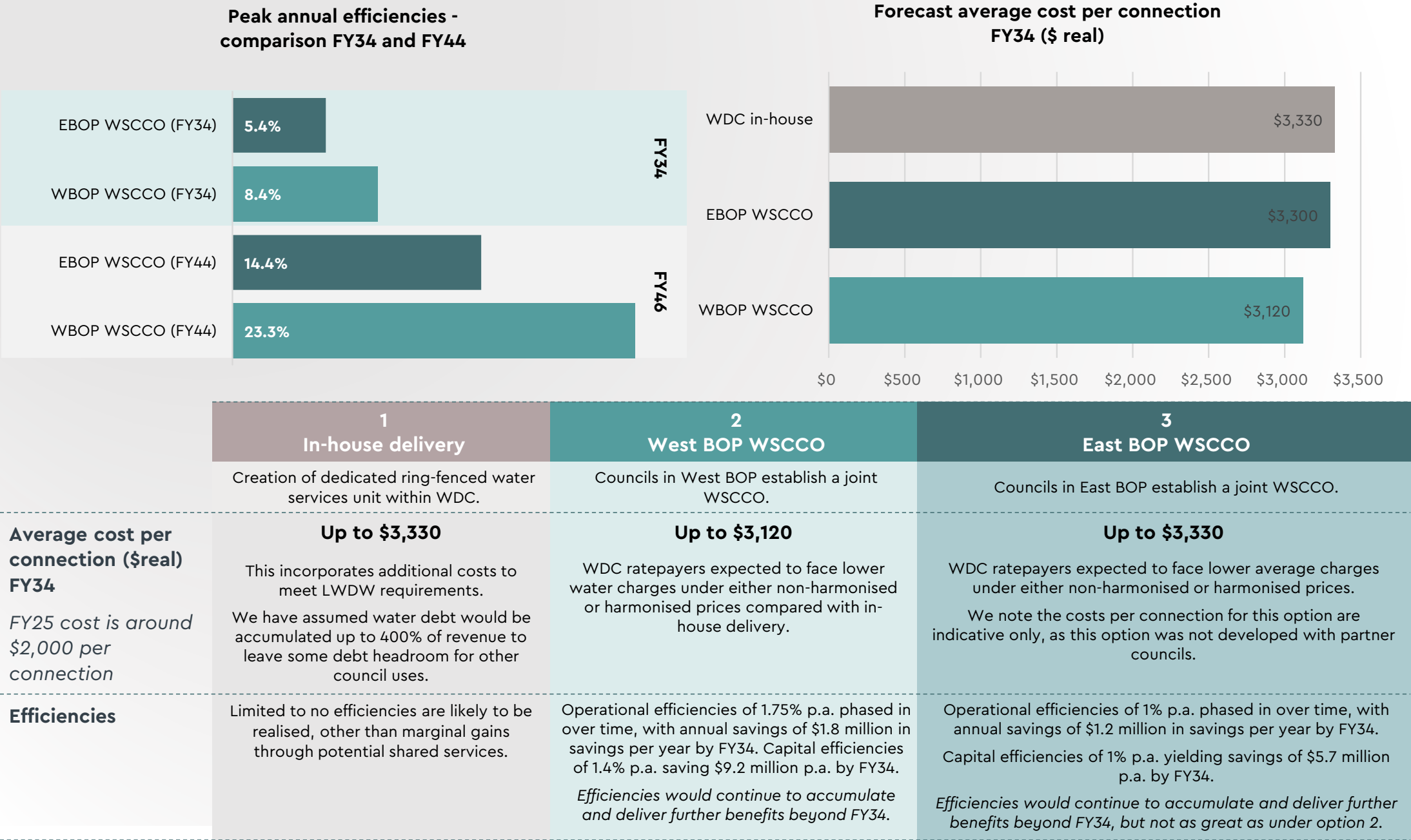
The graph on the top right shows the operating expenditure efficiencies that would accumulate over time for a joint water services organisation. These efficiencies put downward pressure on operating expenditure.

An internal business unit may achieve some small efficiency gains through shared services arrangements. However, we consider any likely gains to have negligible effect on our financial modelling.

	Cumulative efficiency (FY34)	Peak efficiency (FY44)
In-house opex efficiency	0%	0%
EBOP WSCCO opex efficiency	5.4%	14.4%
WBOP WSCCO opex efficiency	8.4%	23.3%

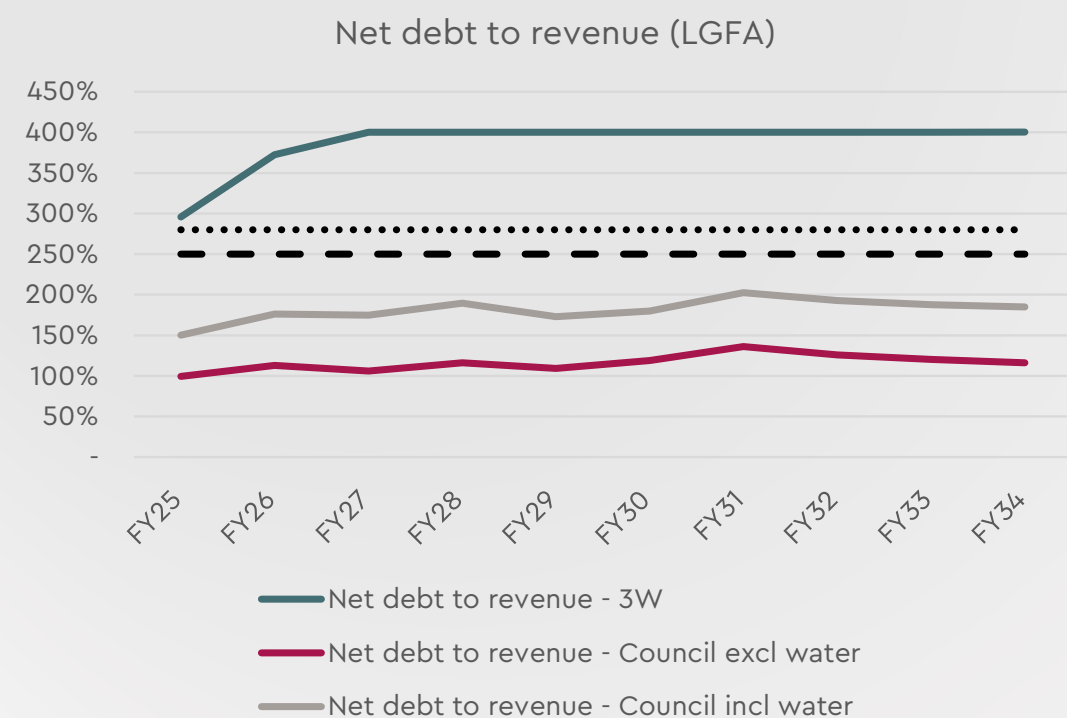
8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Comparative assessment of key financial metrics



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Financial position of council



All of Council (including water)

Council has an internal debt to revenue limit of 250%. As Council is rated, the covenanted limit with the LGFA is 275%.

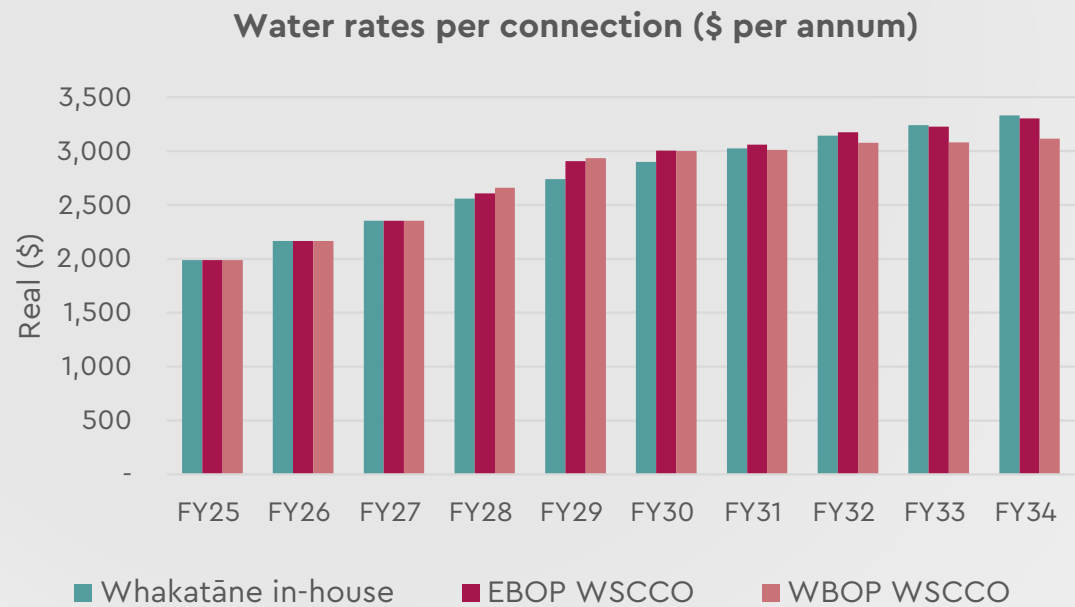
Council is forecast to have a debt to revenue ratio of 150% at the end of FY25, which is forecast to grow to 211% by FY31 and remain at similar levels through to FY34. This is within both the internal Council limit and LGFA limits, so keeping water services provided in-house remains a financially viable option. We note that this is based on restricting water debt to 400% of water revenue, with other Council revenues and expenditures unchanged from the LTP.

Rest of Council (Council excluding water)

By transferring water debt to a CCO, Council's debt to revenue ratio would range between 99% (FY25) and peak at 136% (FY31), before decreasing to 116% in FY34.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

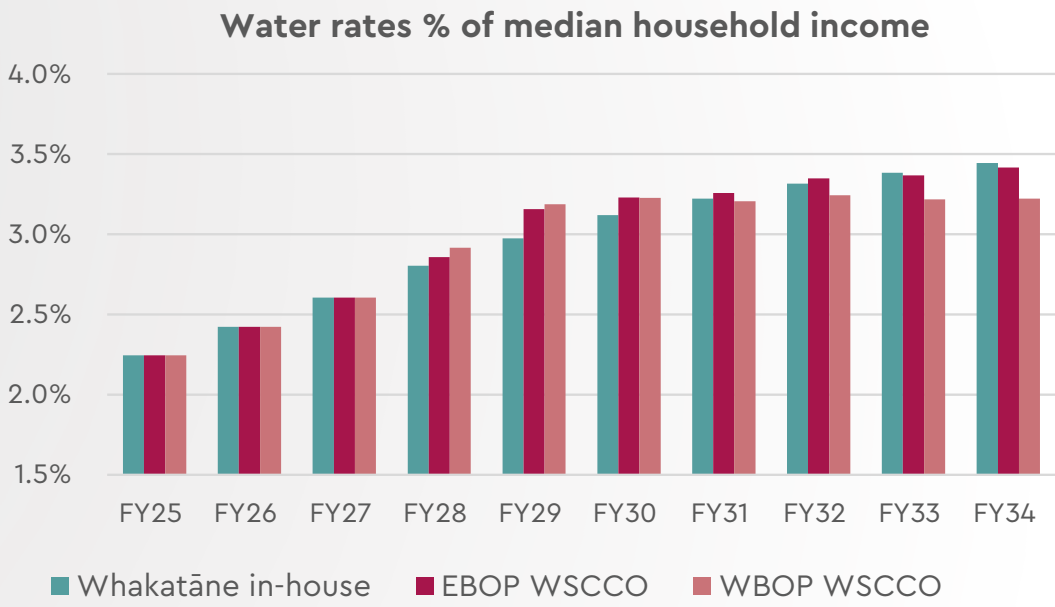
Affordability



Cost per connection

The average cost per connection in the in-house model is currently \$1,990 and is projected to increase to \$3,330 by FY34, or 3.4% of the Whakatāne District's median household income.

By contrast, in a joint WSCCO, the average connection cost is higher in the earlier years before becoming cheaper in FY31 (West BOP option) and FY33 (East BOP option).



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Comparative assessment

Ownership, decision making and
accountability

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Ownership, decision making and accountability – 1/2

ELEMENT	INTERNAL BUSINESS UNIT	WEST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION	EAST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION
Ownership structure	<ul style="list-style-type: none">Council-owned (internal division).	<ul style="list-style-type: none">Owned by WDC and other participating councils, presumably including TCC and WBOPDC.	<ul style="list-style-type: none">Owned by WDC and other participating councils.
Governance arrangements	<ul style="list-style-type: none">Council oversight.	<ul style="list-style-type: none">Shareholder councils can appoint and remove directors on the water organisation board. A constitution would govern composition of the board, process and requirements.Shareholder council provides governance oversight and a forum to meet, discuss and coordinate on relevant issues. Shareholder council will strive to make all decisions by consensus.	
Decision making	<ul style="list-style-type: none">Elected members continue to decide on levels of service and investment intentions (within legal requirements).	<ul style="list-style-type: none">The Shareholder Council would issue a Statement of Expectations, guided by ownership rights set out in a constitution or shareholders' agreement.Operational and financial decisions consistent with Statement of Expectations and statutory objectives would sit with the Water Organisation Board.	
Accountability	<ul style="list-style-type: none">Accountable to the public through the framework in the Local Government (Water Services) Bill.Accountable to elected members through existing mechanisms.	<ul style="list-style-type: none">Reports to owners quarterly, prepares an audited annual report, acts consistent with statutory objectives.	
Community engagement and consultation	<ul style="list-style-type: none">Through access to councillors and submissions.	<ul style="list-style-type: none">Shareholding councils can appoint and remove directors.If WDC is involved in establishment, it can influence the mechanisms included in the design of the organisation.	

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Ownership, decision making and accountability – 2/2

ELEMENT	INTERNAL BUSINESS UNIT	WEST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION	EAST BAY OF PLENTY JOINT COUNCIL-CONTROLLED ORGANISATION
Approach to allocation of costs, revenues and efficiencies	<ul style="list-style-type: none">Council can access debt via the LGFA subject to its limits (280% debt to revenue).	<ul style="list-style-type: none">Final approach would be considered in next phase of reform.WDC would contribute a relatively small portion of population and connections across the grouping.	<ul style="list-style-type: none">Final approach would be considered in next phase of reform.WDC would contribute a larger portion of population and connections across the grouping than for option 2.
Iwi/Māori involvement	<ul style="list-style-type: none">Council can use existing mechanisms.	<ul style="list-style-type: none">New engagement and partnership mechanisms would need to be developed that meet the needs and expectations of increased numbers of iwi and hapū.	
Confidence in delivery, establishment and ongoing management	<ul style="list-style-type: none">High confidence this option could be stood up quickly, if pursued by Council.	<ul style="list-style-type: none">Increasing confidence that a grouping based around TCC and WBOPDC will emerge.	<ul style="list-style-type: none">Limited confidence that an East BOP joint arrangement will emerge in the short term.
Additional considerations	<ul style="list-style-type: none">Shared services arrangements may allow small savings to be realized.	<ul style="list-style-type: none">Includes a large metro council which provides the greatest potential for economies of scale.Depending on which councils participate, membership could include councils that sit across multiple regions.	<ul style="list-style-type: none">Benefits of DIA model based on LTP content are likely to be overstated.
Risks	<ul style="list-style-type: none">Risk of becoming increasingly unaffordable over time.	<ul style="list-style-type: none">Risk that funding is prioritised to needs in other districts.	<ul style="list-style-type: none">Unlikely to be a feasible option as other councils are understood to prefer single-council options.

Comparative assessment

Rest of council considerations, key risks
and mitigations

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Rest of Council considerations

Decisions on how water services are delivered will have follow-on implications for the rest of the Council's functions.

Forthcoming decisions on how WDC delivers water services to residents will have a material impact on the Council's residual financial and operating context.

It is relevant for Council to understand these financial and operational implications for other Council functions under all options considered. This is because even under the internal business unit option, the ringfenced financial management of water services will have implications for things such as overhead allocation and the residual debt capacity of the Council for other functions.

WDC needs to consider whether existing service delivery arrangements will (i) be sustainable; and (ii) continue to meet community expectations regarding levels of service and affordability.

This assessment has multiple considerations, including:

- The broader strategic context that WDC faces including the ability to service its unique community and including to address issues related to climate change adaptation and resilience.
- The implications of a new purpose for local government and definition of core services against Council's current service offering.
- The opportunities and challenges that could be explored for economies of scale through shared services arrangements.

- The investment needed to ensure WDC has the strategic capacity to lead through complex change and to continue to respond to the diverse needs and expectations of its unique communities.
- Options to move towards a financially sustainable (and affordable) operating model for the future that enables committed progress toward Council's strategic priorities.

The introduction of financial ringfencing and the potential transfer of water services to a standalone or joint water services organisation provides both challenges and opportunities.

Our analysis has been informed by the information provided by WDC. High-level findings are:

- Overall, the removal of water service delivery improves the borrowing position of the rest of Council as measured in the ratio of debt to revenue.
- Current levels of operating costs should be reviewed ensure they remain sustainable.
- The current overhead allocation method should be revisited, simplified and made more transparent. Initial reviews as part of this analysis suggest limited stranded overheads.
- The Council has a stable financial position when water services are excluded. When water services are included, the Council's debt position would be constrained, unless rates were increased to create debt headroom.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Key risks and mitigations

Option	Risk	Possible mitigation
Internal business unit	<ul style="list-style-type: none"> Resource competition with water services organisations – staff, contractors and delivery (for example, when tendering for investment, or attracting staff with the right skills and experience). 	<ul style="list-style-type: none"> Difficult to mitigate. Option to engage a third-party or WSO for service delivery, or leverage expertise through secondments to WDC.
	<ul style="list-style-type: none"> The smaller operational scale and lower debt ceiling may limit flexibility to respond to broader challenges or shocks (for example maintaining assets, making climate investments to improve resilience, or responding to an extreme weather event). 	<ul style="list-style-type: none"> Difficult to mitigate. The Council is expected to become constrained by growing water borrowing and, as water charges increase, affordability challenges are expected to restrict council's ability to increase rates.
Joint Water Services Organisation	<ul style="list-style-type: none"> Limited direct control or influence over investment decisions and pricing outcomes.* <p><i>*Note, all water service providers (including councils) will be subject to economic regulation, as well as environmental and water quality regulation which may direct investment and prices.</i></p>	<ul style="list-style-type: none"> Consider options with fewer shareholding councils to reduce potential complexity of governance arrangements and transition. Consider council groupings with common interests and shared challenges. Shareholder Council appoint and remove directors. Shareholders issue Statements of Expectations which the entity must adhere to.
	<ul style="list-style-type: none"> Transition risks, such as stranded overheads, or reduced internal capacity to deliver other council services as a result of staff moving to a WSO. 	<ul style="list-style-type: none"> May be addressed through careful negotiation of transition arrangements with potential partners to ensure council functions are protected alongside appropriate management of stranded costs. This includes ensuring the WSO compensates WDC for any services provided through transition period (for example collecting revenue on their behalf, accommodating staff).
	<ul style="list-style-type: none"> Higher costs to WDC communities due to pricing decisions, or efficiencies not being realised. 	<ul style="list-style-type: none"> Economic regulation will help to drive efficiencies. WSO structure, including independent governance, will support strong asset management and procurement practices.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Additional considerations

for standing up a water
services organisation

Specific implementation considerations – Water Services Organisation

In general, a water services organisation is less likely to be prone to problems if it is set up appropriately and subject to regulation. There are mechanisms to facilitate this in legislation, and through the establishment process.

<div></div> <div>GOVERNANCE FAILURE</div> <div><ul style="list-style-type: none">• Appointing Board members that, individually or collectively, do not have the skills and experience required to effectively set the strategy and performance targets, and monitor management's performance against that strategy.• Ineffective scrutiny of performance and/or failure to act on performance issues, whether through Councils' ownership control mechanisms (that is, Board appointments) or ministerial or regulator oversight.</div> <div>1</div>	<div></div> <div>INSUFFICIENT BALANCE SHEET</div> <div><ul style="list-style-type: none">• There is a risk that the transfer of assets, liabilities, revenues and costs to a new water services organisation may result in it having low credit quality and/or unable to adequately fund the level of ongoing investment required (limited headroom for new investment).• This risk is not inherent to the water services organisation model but attention still needs to be paid to how the new entities are structured financially, including the amount of debt and revenues that are transferred to it.</div> <div>3</div>
<div></div> <div>STRATEGIC CAPABILITY AND WORKFORCE</div> <div><ul style="list-style-type: none">• Strategic capability to support any structural change and set up any new arrangements for success in a timely manner.• The ability to attract and retain a high-quality management team and a qualified workforce is a key determinant of success. This risk is not inherent to a water services organisation model and also exists with in-house delivery.</div> <div>2</div>	<div></div> <div>LACK OF ALIGNMENT OF SHAREHOLDERS' INTERESTS</div> <div><ul style="list-style-type: none">• In a multi-council ownership situation if different councils have different interests or priorities, then the Board and management of the entity can be pulled in different directions.• The legislative requirement for a single Statement of Performance Expectations aims to mitigate this, as do other legislative protections.• Shareholder agreements will also influence this.</div> <div>4</div>

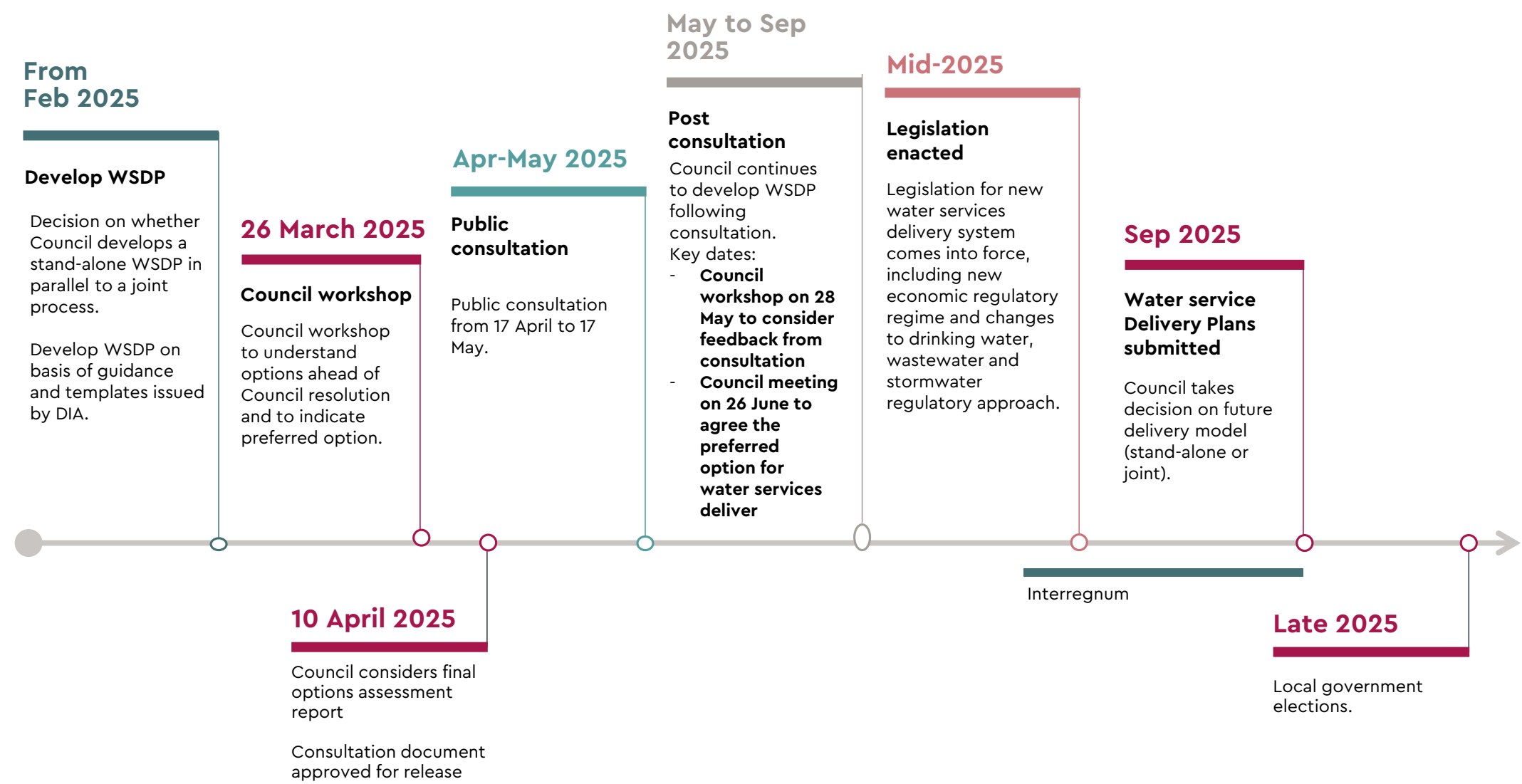
Comparing mechanisms for planning, control and influence

Element	In-house delivery (via internal business unit)	Water Services Organisation
Ownership structure	100% Council-owned as a business unit or division within the organisation. No new organisation is established.	Ownership arrangements and rights set out in a constitution and/or shareholder agreement, subject to compliance with the legislation.
Governance arrangements	Internal business unit responsible to Elected Members, with other usual Council governance oversight. This could be supplemented with a technical advisory group if required and an additional cost.	Shareholding councils can appoint and remove directors. A constitution would govern composition of the Board, process and requirements. Shareholder council provides governance oversight and a forum to meet, discuss, and coordinate on relevant issues. Shareholder Council will strive to make all decisions by consensus.
Strategy	Council will need to prepare a water services strategy.	A WSO must prepare and adopt a water services strategy, consistent with the Statement of Expectations (SOE) issued by the shareholder council. WSO Board prepares water services strategy and consults shareholding councils.
Direction setting	Set by the Council, through various strategies and planning documents, including the Long-Term Plan.	The shareholder Council would issue a Statement of Expectations, guided by ownership rights set out in a constitution or shareholders' agreement. The WSO must give effect to this.
Accountability	Accountable to the public through usual local democracy practices. Water services annual report – including new financial statements on water supply, wastewater and stormwater – will be completed to enhance current requirements. The Council will face new accountabilities to the economic regulator, and water services regulator for prices, and quality of service as well as consumers directly.	WSO must give effect to the Statement of Expectations, provided it is consistent with the Act. WSO Board is accountable to Council shareholders and reports regularly on performance (shareholders are accountable to community). WSO required to give effect to Statement of Expectations and meet statutory requirements. WSO prepares annual report, including financial statements, and information on performance and other matters outlined in water services strategy. The WSO will also be accountable to the economic regulator, and water services regulator, as well as consumers directly.
Community engagement	Consistent with the Local Government Act engagement requirements.	WSO may engage with the community, and shareholders. Shareholders can prescribe requirements through founding documents and accountability instruments.

8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)

Next steps

Timeline and next steps



8.4.1 Appendix A - Options Assessment Report - MartinJenkins(Cont.)



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8.4.2 Appendix B - Draft Consultation Document for local water service delivery options

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Local Water Done Well

Consultation Document
April 2025

<QR code> Kōrero Mai
Tell us what you think by 5pm, Sunday 18 May
koreromai.whakatane.govt.nz/wai-it-matters

<Wai it matters brand>

<WDC brand>
<Kōrero Mai brand>

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Contents

Mayor’s foreword	4
Have your say on how water services are delivered in Whakatāne District	4
What’s happening?	5
What’s Local Water Done Well?	5
Key elements of Local Water Done Well	6
We need a plan	6
We’re not alone	7
Big changes are coming	8
We’ve done our homework	9
The shortlist	9
Other options considered	9
You’ve got a key role in this	10
The dollars and cents	10
Let’s take a look at the options	11
Option 1: Forming a Multi-Council-Controlled Organisation - our preferred option	12
Let’s partner up	18
Option 2: A standalone business unit within Council	21
	22
Key points about this option	22
Our water services at a glance	27
Let’s talk	28
Local Water Done Well Submission form	30

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

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8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Mayor’s foreword

To be drafted
<image of Mayor>

Have your say on how water services are delivered in Whakatāne District

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

What’s happening?

As a community, we have a big decision to make about how water services are delivered. And it’s more than just about the water you drink, where rainwater goes, and flushing the loo! It’s about keeping things affordable and looking after the environment too.

What’s ‘Three Waters’?

- Drinking water
- Stormwater
- Wastewater
- The networks of pipes and other infrastructure that allow water to be treated, transported and disposed of.

What’s Local Water Done Well?

The Government has introduced its Local Water Done Well legislation replacing the previous government’s water reform programme.

Local Water Done Well aims to:

- address New Zealand’s longstanding water infrastructure challenges relating to drinking water, stormwater and wastewater.
- address how waters infrastructure across New Zealand is funded and delivered in a financially sustainable way
- introduce a new regulatory system for water services with stricter environmental, economic, and health standards

Local Water Done Well puts the onus on us to choose the best way to deliver water services to our communities.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Key elements of Local Water Done Well

The Government’s Local Water Done Well policy will significantly change the operating environment for water services in New Zealand, with significant implications for Council service delivery.

New regulatory requirements, coupled with new structural and financing tools, will lead to significant changes in service provision over time, including the adoption of new service delivery models.

Local Water Done Well has some key features:

- **Water Service Delivery Plans**
- **Financial sustainability**
- **Ringfencing** – Councils will be required to ringfence their water services from other Council activities.
- Councils will be required to meet **new information disclosure and reporting requirements**.
- **Ability to borrow to fund water services** – the Local Government Funding Agency sets limits on the debt funding that different councils and council-controlled organisations delivering water services can access.

We need a plan

Like all councils across the country, we need to make a **Water Services Delivery Plan** and submit this to the government by 3 September 2025. This plan must outline:

- our current state and approach
- how water services will be sustainably delivered through our preferred delivery model
- how we’ll meet future health economic and environmental regulations
- what’s needed to address regulatory requirements and future growth
- where investments will be made to meet service and regulatory requirements
- how we’ll finance these requirements

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

To do this well, we need your input.

Our district is growing. We want to look after what we’ve got, protect our precious environment, and continue to achieve our vision of More Life in Life.

We’re not alone

Like the majority of Councils across Aotearoa New Zealand, we’re facing a number of complex issues when it comes to delivering our drinking water, stormwater and wastewater services - and it is going to get more expensive.

The national picture

- Significant investment is required to maintain the condition of the country’s water assets and maintain consents to protect human health and the environment
- Funding challenges and future affordability for ratepayers is of concern
- Geographically distant communities
- Natural hazards/events and climate change effects with low lying settlements and high ground water
- Balancing expectations for environmental outcomes with affordability
- Potential future demand to service growth and areas that are currently unserved

The local picture

- The Whakatāne District is a large Council by area (433,000ha), compared to its population (37,150). Maintaining and upgrading water infrastructure is difficult as it is spread over a large area and there are relatively few people to share the costs.
- We manage approximately 957km of underground pipes conveying wastewater, drinking water and stormwater across the district. There are 18 drinking water and wastewater treatment plants and 94 pump stations.
- In the near future we need to start renewing consents for several drinking water and wastewater treatment plants that don't meet current standards. These plants will need significant upgrading to keep being used.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

- Three waters infrastructure across the Whakatāne District is relatively old, with 43% of underground pipes being over 50 years old and needing replacement in the next 30 years. Significant investment is required to replace these pipes and address failures between now and their replacement.
- These challenges require significant investment over the next 30 years, which ratepayers will struggle to afford. The costs are higher due to modern standards and a need to build more resilient networks.
- Consistently meeting the New Zealand Drinking Water Standards for our nine drinking water schemes is challenging.
- Future generations will face increasing costs if investments are delayed.
- Expected growth in Whakatāne District will increase the need and demand for reliable water services infrastructure. This growth will require substantial investment in infrastructure upgrades and new developments, leading to higher costs. Effective planning is essential to ensure sustainable and cost-efficient water services for the future.

Whakatāne covers a vast area (433,000ha) but has a small population (37,150). This means we have many remote communities and multiple water schemes serving small populations.

Big changes are coming

The writing is on the wall. The way we currently deliver our drinking water, stormwater and wastewater services does not meet the Government’s new financial sustainability rules. The reality is, staying as we are is simply not an option. While change is necessary, we have the opportunity to shape how it happens - and that’s why your feedback is so important.

We want what’s best for the Whakatāne District. We know Local Water Done Well will significantly change the way water services are delivered here and across Aotearoa New Zealand, will impact generations to come, and will change who we are as a council too.

“This is one of the most significant changes in Whakatāne District Council’s history” – Mayor Dr Victor Luca

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

We’ve done our homework

We’ve done a lot of work and analysis over a number of months, obtained expert advice, and undertaken the due diligence needed to truly understand our options for water services delivery and ensure we’re meeting everything required within a Water Services Delivery Plan. We’ve undertaken a comprehensive assessment of our current water service delivery approach, the upgrades and maintenance that will be necessary in the future, and how we’re placed to pay for this. We’re using this thinking to help shape the options available for our district.

The shortlist

After initially considering a range of options, elected members agreed on a shortlist of two options for further investigation:

- **Option 1** - Forming a Multi-Council-Controlled Organisation (Multi-CCO) to deliver water services in conjunction with other councils who are willing to join up **(this is our preferred option)**
- **Option 2** - A standalone business unit that will deliver water services from within the Council **(alternative option)**

Other options considered

As a step in our discovery journey, we undertook an options analysis.

This analysis considered the options of establishing a Council Controlled Organisation (CCO) for the Council alone and the option of a Consumer Trust, but both of these options were found to be expensive to establish and run for the size we are. Some options would not allow us to borrow as much or to borrow more expensively than other options. Some options would give the local community less influence over critical decisions.

More information on our options analysis, and how we got to our shortlist can be found in pages 66-80 of the MartinJenkins report ‘Whakatāne District Council Water Services Delivery - Current state review and high-level options assessment’ at whakatane.govt.nz/localwaterdonewell or by scanning the QR code. [<insert QR code>](#)

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Following further work and careful consideration of the options, forming a Multi-Council-Controlled Organisation (Multi-CCO) emerged as the Council’s preferred option.

You’ve got a key role in this

No matter which option we choose, water costs are likely to rise nationwide to meet higher quality standards and future challenges.

We want your feedback on how you’d like water to be managed and decisions to be made, considering the pros, cons, and costs of each option.

If you have a private supply, there are no immediate changes, but your input still matters. Future regulations may affect private supplies, and your supplier may need support from the water services provider if issues arise.

The dollars and cents

Separate funding for water services

Local Water Done Well requires us to ‘ringfence’ all funds spent on water services. This means revenue and costs related to water must be kept separate from other council services, ensuring the community clearly understands the true cost of their three water services.

While Three Waters costs and income are accounted for by each service, the new legislation will require further separation of overhead costs and borrowing for water projects. Additionally, the government is establishing a special economic regulator to ensure investment and charges are fair.

Our three waters investment in our current Long Term Plan does not meet new regulatory requirements

To meet the new requirements of Local Water Done Well, we need more investment than we’d planned for in our 10-year Long Term Plan (LTP).

In particular, the LTP does not include funding necessary to upgrade wastewater treatment plants to meet proposed wastewater environmental performance standards.

We have reviewed our capital expenditure programme, with the assistance of independent engineers, and have discussed with the Water Services Authority (Taumata Arowai) and Bay of Plenty Regional Council how we could stage our investment to achieve consistent compliance with drinking water quality assurance rules and anticipated wastewater environmental performance standards by 2028 and 2032 respectively.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

As a result, we intend to bring forward some projects worth around \$25 million of additional investment to our 10-year plan. These additional costs will need to be met through a combination of borrowing and higher rates.

Water charges

Under either option set out in this document, what communities pay for water services will increase to address the challenges we face.

Under the preferred option, the new water organisation (Multi-CCO) would provide all services directly to water customers and bill directly for water usage and services provided. Customers would no longer pay rates to the Whakatāne District Council to fund the cost of water services.

Charges would be determined by the board of the new water company, under the oversight of the economic regulator (the Commerce Commission) to ensure that these are fair, reasonable and provide appropriate levels of service.

This is about Council’s water infrastructure, not commercial water use under a resource consent.

- Want to know more? www.dia.govt.nz/Water-Services-Policy-and-Legislation

Let’s take a look at the options

Forming a multi-council-controlled organisation vs a standalone water services organisation

What are the financial impacts and costs of each option?

Our work so far is based on modelling and estimates of costs. The modelling is intended to help comparison of options, and does not represent final costs, water charges and investment programmes. The information is subject to change as we further work through implications of finalised legislation, compliance requirements, investment priorities, and cost impacts and affordability for communities.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

**Option 1:
Forming a Multi-Council-Controlled Organisation
- our preferred option**

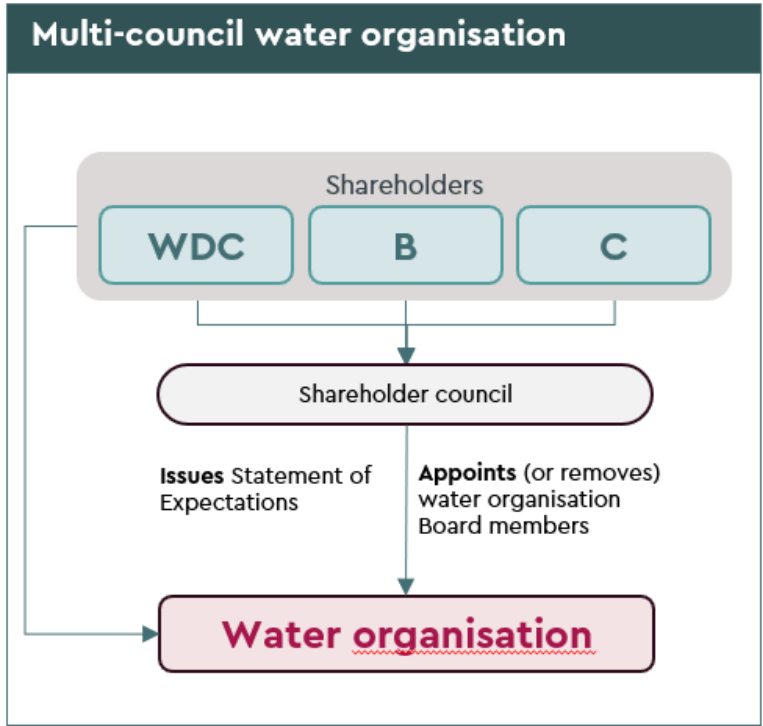
While Local Water Done Well provides an option to retain in-house services, we must be realistic about the challenges we face. Financial modelling and other considerations suggest that the advantages of a regional approach outweigh the disadvantages. Going it alone would be incredibly challenging. The aim of a collaborative approach is to achieve greater efficiencies, strengthen our workforce, and ensure we can continue to deliver high-quality water services. This is a long-term strategy, and one best tackled together.- Mayor Dr Victor Luca

We’re proposing to create a water services organisation jointly-owned with a number other neighbouring councils (otherwise known as a Multi-Council-Controlled Organisation, or ‘Multi-CCO’). This organisation would handle water services across all participating areas and take on each council’s water-related debt and assets. A professional board of directors appointed by the councils, would run the organisation day to day. While we could guide the board through a Statement of Expectations and retain some key decisions, none of the councils (including Whakatane District) can control every aspect of its work. We will have some ability to influence the Multi-CCO’s pricing and charging approach through a ‘Statement of Expectations’ and ‘Water Services Strategy’.

Financial modelling completed so far indicates the Multi-CCO water organisation option is likely to provide the most efficient and effective long-term solution. This is because the Multi-CCO water organisation can access additional borrowing capacity and can achieve greater efficiencies and economies of scale.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025



Iwi participation

We believe that Iwi should play a strong role in water management. It is critical that our Treaty Settlement, Joint Management Agreements, and other partnership obligations and responsibilities are upheld and protected. At this stage, we’re exploring how to meaningfully integrate Iwi participation into our preferred option and welcome input on how to achieve this authentically.

\$\$\$

Under this option customers could pay up to \$3,120 to \$3,300 per annum within 10 years, depending on the mix of councils involved. However, this figure could be much cheaper depending on the mix of councils involved and the approach to pricing.

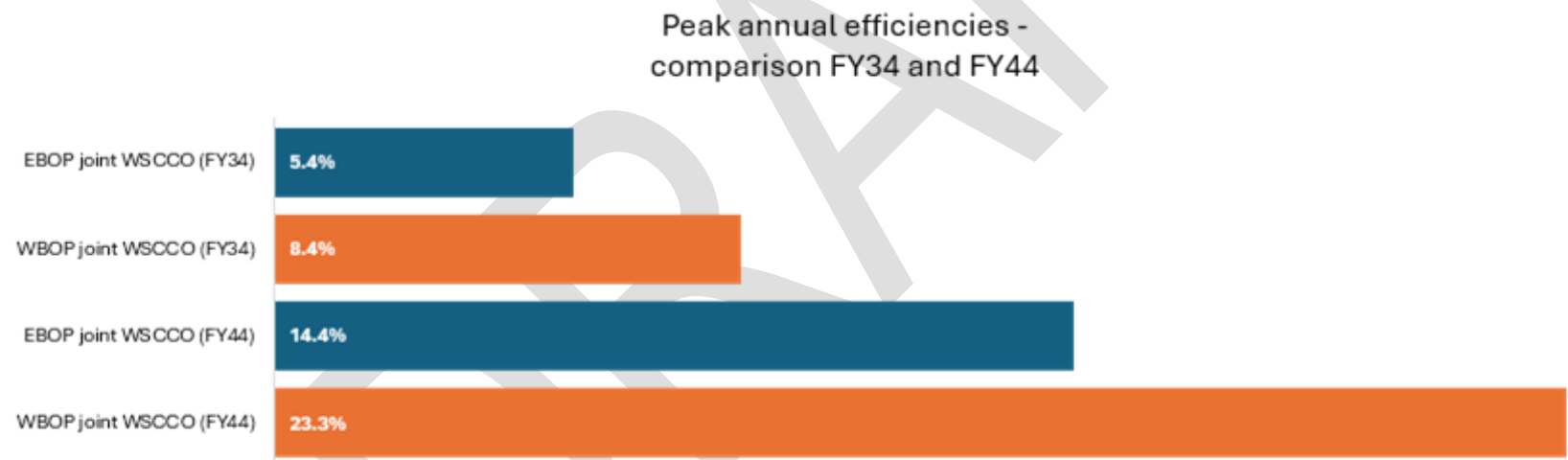
8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

A Multi-CCO offers economies of scale. Looking at overseas models for water services delivery, we estimate efficiency gains are possible, as per the chart below. These efficiencies put downward pressure on prices, allowing a Multi-CCO to offer lower prices as efficiencies take effect. The greatest efficiency gains can be made where a joint water services organisation includes a large, metropolitan council with a larger population and larger number of connections.

A Multi-CCO is more costly to establish because it involves more governance infrastructure, e.g. a Shareholder Council, Water Organisation Board, Shareholder Agreement, Statement of Expectations etc. Modelling shows establishment costs for a 4-council entity to be at approximately \$10 million, fully debt funded. This cost would be split across the partnering councils. The additional establishment cost means lower prices for consumers will take some time to materialise. We expect the greatest gains to become evident as efficiencies take effect, particularly beyond Financial Year 2034. **Beyond this point we expect this option to become considerably cheaper for consumers than Option 2.**

Further reduction in price may be possible for our district if a joint water services organisation can establish uniform or standardised pricing for water across districts.



8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Key points about this option

The Multi-CCO (Whakatāne District Councils and other participating councils) would own the three waters assets - The council would be a shareholder and the beneficiaries of Whakatāne District’s three waters assets would continue to be ratepayers. A Long Term Plan amendment would be required to transfer the assets.

The shareholding councils would create a ‘Statement of Expectations’ - This would be monitored closely and reported on quarterly to owners. An audited annual report would also be prepared, and The Board must act consistently with statutory objectives and legal requirements.

The board of the water organisation would make the decisions – Council could appoint (and remove) directors to the Board and issue their Statement of Expectations.

Governed by a shareholder council - Members would be appointed from the councils that own the joint water services organisation.

Iwi involvement is still to be confirmed - We believe that Iwi should play a strong role in water management. It is critical that our Treaty Settlement, Joint Management Agreements, and other partnership obligations and responsibilities are recognised and protected.

Users would be charged directly from the Multi-CCO (not Council)

The organisation could borrow up to 500% of revenue to debt from the Local Government Funding Agency.

Council would have no day-to-day involvement in water service delivery - However, it’s likely during the transition phase councils would continue to offer some support services for a time.

Council debt - The debt associated with water assets would be removed from Council’s books and transferred to the proposed new water organisation on establishment. As at 30 June 2024, our actual Three Waters debt was \$61 million, and it’s forecast to grow within 2 years to an estimated \$96 million. This debt would be transferred to the Multi-CCO on the date of its establishment.

What does this mean for me?

Water will still flow from your tap and your toilet will still flush! It’s who provides the services and ultimately who you will pay for that service that would change.

The costs to deliver water services are increasing for everyone, but this new approach would help lessen the increases, allow the costs to be spread over a longer period, and ensure costs are shared by future generations who use new waters infrastructure. Government regulation would set limits on what the organisation could charge, and how much it needs to invest in the future.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

The changes would be at a higher level – the new organisation would be able to invest more in maintenance and infrastructure, share costs across a wider area, and be able to use these efficiencies to reduce future costs to consumers.

It’s expected that, in time, more consistent levels of service would be delivered to communities across the service area. This will be due to the Multi-CCO’s ability to take a strategic, network-wide approach to investment, and prioritise parts of the network that are in the greatest need of renewal or repair. Over time it is expected that the organisation will take a more consistent approach to charging for water services. Communities across its service area can also expect the same approach to invoicing, customer enquiries and complaints.

Once the transition of the services is complete, you’d receive a bill for your water and wastewater services from the Multi-CCO and contact them for any queries. This won’t happen overnight, but it will happen – once the Multi-CCO is confident it has the systems and processes in place to ensure you receive a quality customer experience.

	How we work now	Under the CCO model
Who provides the water from my tap?	Water services are delivered by WDC	Water services would be provided by the Multi-CCO
Who looks after wastewater (the stuff that goes down the sink and toilet)	Wastewater services are delivered by WDC	Wastewater services would be provided by the Multi-CCO
Who manages where stormwater goes?	Stormwater services are managed by WDC	Stormwater services would be managed by the Multi-CCO
Who do I call if I have a problem?	WDC	The Multi-CCO once up and running. The changes will occur over time but you will always be able to

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

		call your council as your first port of call if you’re unsure
Who has control over decision about waters infrastructure?	WDC elected members	The Board makes decisions having regard to a Statement of Expectations agreed to by Councils and regulatory requirements. This is the “what, when, where and how” for future infrastructure expenditure
What will it cost?	Costs will increase – these costs are going up no matter what. Under our current model we cannot do what needs to be done in a timely way, that is affordable for our communities.	Costs will increase – these costs are going up no matter what. But there will be efficiency savings and these are likely to be significant over time
Will I get charged differently?	No You would continue to be charged the same way	Yes. Once developed, there will be a separate invoice for water, stormwater and wastewater services from the Multi-CCO

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

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Let’s partner up

If we decide to move forward with a new Multi-CCO, we’d join forces with one or more of our neighbouring councils.

We’ve been busy exploring options with two sub-regional groups, including Tauranga City Council and Western Bay of Plenty District Council in Western Bay of Plenty; and with Rotorua Lakes Council, Kawerau District Council, and Ōpōtiki District Council in Eastern Bay of Plenty.

At the time of writing, Tauranga City Council and Western Bay of Plenty District Council are consulting on a proposal to form a joint water services organisation. We understand these councils are open to other councils joining, either from inception or in future years. Rotorua Lakes Council is planning to deliver water services in-house but is interested in forming a working group after October 2025 to investigate whether a Multi-CCO could be established by 1 July 2028.

The largest benefits are likely to come from working with a large council (such as Tauranga City Council or Rotorua Lakes Council). However, the inclusion of a larger partner may make it harder for a Multi-CCO to prioritise our district’s interests. This could be exacerbated if there are a large number of councils involved. This may also make it harder to determine common goals and resolve differences.

Regardless of the councils we could work with, we will attempt to negotiate the best arrangement for the Whakatāne District. If we were to work with other councils, our goal would be to draw on shared expertise and economies of scale, while still reflecting each area’s local priorities. This would include seeking a commitment from partner councils and the new entity to ensure it follows through on the planned investment in our 10-year plan, to ensure Whakatāne District gets a fair deal for our communities.

We’d work alongside partner councils to make a plan for delivering water services that benefits all participating communities in the long run.

Within our region, we share common challenges with our neighbouring councils, including challenges meeting drinking water quality and environmental standards, improving resilience of our low lying and coastal communities in the face of climate change, and providing for growth. Working collectively to address these challenges makes more sense than trying to solve these problems alone.

The Multi-CCO will be responsible for ensuring that there will not be a detrimental impact on levels of service. If anything, the investment in identifying efficiencies should improve customer experience.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Pros and cons

Potential pros	Potential cons
<ul style="list-style-type: none">• Legal compliance – meets legal requirements of Local Water Done Well• Cost – By combining resources, like maintenance services across multiple councils, the organisation can drive down costs over time. This means it would likely be cheaper than if we continued to deliver water services on our own, potentially saving you hundreds per year by 2034.• Specialist oversight – A professional, expert board can make informed decisions and respond quickly to service needs.• Scale – A larger combined organisation can hire more specialised staff and manage assets and new projects more effectively.• Continuity of investment plans – The organisation would likely adopt the Council’s investment plans in relation to water, noting the programme of investment in the long-term plan has been updated through this process to meet legislative requirements.• Efficient borrowing – The organisation can borrow at similar rates to councils but takes a different borrowing approach that makes it easier to invest in infrastructure and maintain quality standards affordably.• Better financial flexibility – With water debt removed from its books, we can redirect financial capacity to other priorities as needed.	<ul style="list-style-type: none">• Perception of a loss of control – We would share decision-making and control with other councils. Ratepayers as consumers can still influence the Council as shareholders through its planning processes, and have the opportunity to engage directly with the Multi-CCO. All consumers will also have rights under the Commerce Commission.• Transition challenges + complex servicing agreements – Establishing the organisation is a large task, and coordinating the transition of water services, staff and debt may be complex, together with agreements on where to invest. We would also need to manage any impact on other council activities.• Stranded costs – Some costs that are currently shared amongst different Council activities, including water services, may not be able to be transferred to the organisation meaning the Council could be left with some ongoing obligations. Examples are teams providing customer services and finance support.• Uncertainty – It remains uncertain who we would partner with. We would need to negotiate how the organisation is established and how our District’s needs are met.• Clear agreements – Responsibilities between WDC and the Multi-CCO must be clearly defined, particularly regarding the management of assets such as road and stormwater reserves. Council will retain control of roads and reserves that also serve stormwater functions, while underground stormwater pipes will be managed by the Multi-CCO.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

What does this mean for Whakatāne District Council?	
Under the Multi-CCO option	
Rates	Over time, the rates we charge for three water services will cease as the new joint water services organisation takes over. If we pursue this option, it will take some time to transfer billing for water services to the new entity.
Debt	Council will have more financial flexibility, including lower council debt and a greater ability to borrow to fund non-water activities.
Levels of service	We expect levels of service to improve under this option but the focus over the next ten years is on achieving compliance with regulatory requirements.
Charges for water services	Charges for water services are likely to be lower under this option than for Option 2.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Option 2: A standalone business unit within Council

Under this option, the average residential ratepayer could pay....

\$3,330 by 2034

Compared with around \$1,990 today.

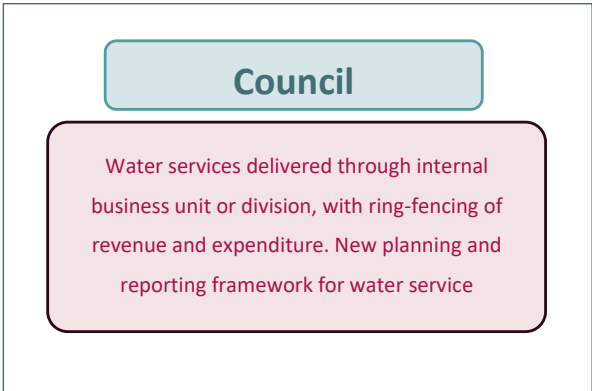
We’ve been providing your water, wastewater and stormwater services since.... way back! But things are changing, and we need to find a new model that is most cost effective for our communities. Every time you turn on your tap, flush the toilet or there is heavy rain, there are teams of council staff behind the scenes making sure everything is working the way it should.

Our dedicated waters teams are made up of 35 staff. This does not include the staff whose roles also support the delivery of waters services in some way, for example, the finance, communications and customer experience teams.

Providing the infrastructure, meeting compliance and providing three waters service costs a lot. In our 2024-34 Long Term Plan, we budgeted \$249m of operating expenditure for water (\$99m), stormwater (\$81m) and wastewater (\$69m) for the next nine years.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025



Key points about this option

Ringfenced water services delivery - Water charges would be ringfenced and targeted. They will need to be separated from general rates, billed separately and subject to central government monitoring of financial and water quality standards. We could also share certain services with neighbouring councils or contract some operations to an external water services organisation, but this would not provide the same level of cost savings as being a part of a joint water services organisation. Council could also access debt through the Local Government Funding Authority, subject to its limits.

Higher prices – This will cost more each year than the preferred option. While the average cost per connection looks similar over the next ten years, after that, a joint water services organisation becomes noticeably cheaper.

We (and therefore ratepayers) would continue to own, manage and deliver three water services on our own - There would be no partnering with other councils. We would be fully responsible for all day-to-day operations, maintenance, planning for future water needs, and repaying any water-related debt.

Council will continue to make decisions – but you can have your input - Submission processes and access to elected members will remain. However, decisions will also be subject to regulatory oversight, including from the Water Services Authority (Taumata Arowai) and the Commerce Commission. The business unit would be governed by Council.

Iwi involvement - Council would use existing mechanisms for tangata whenua involvement.

Legal compliance - Meets legal requirements but risks being unaffordable to ratepayers. It will also potentially mean less funding being available for other activities provided by Council because of the debt limits.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Pros and cons

Potential pros	Potential Cons
<ul style="list-style-type: none">• Decision-making - We would be responsible for day-day decision making, solely focussed on the needs of the District.• Seamless integration - Water services can be easily coordinated with our other responsibilities (such as district planning and transport).• Local voice - Communication remains straightforward with community input via the Long-Term Plan and Annual Plan consultation processes.• Familiarity- It’s a familiar model that people understand.• Opportunity to share services -We could share services with neighbouring councils to try and reduce costs, or contract a water organisation to deliver services. However, this is not likely to lead to significant cost savings.	<ul style="list-style-type: none">• Higher prices – This will cost more each year than the preferred option. While the average cost per connection looks similar over the next ten years, after that, a joint water services organisation becomes noticeably cheaper.• Longer-term challenges need to be funded - We need to fund major water infrastructure upgrades over the next 15–30 years, which are likely to become more expensive over time. This could require substantial borrowing and limit our ability to invest in other important areas.• Increasing requirements - We must meet tougher government regulations on our own, which may lead to higher rates or more borrowing in the future.• Limited opportunity for efficiencies - We wouldn’t benefit from economies of scale that might come from partnering with other councils, potentially raising our long-term operating costs.

What does this mean for me?

Under this option, the Council continues to provide water, wastewater and stormwater services to you, and it will be charged through your rates as it now. The Council would continue to make decisions about investment in waters infrastructure, and the LTP process would allow direct involvement by the community in influencing Councils decisions.

This option could be financially sustainable in terms of the legislation but that relies on investing further in the next 10 years than planned in our Long Term Plan to meet minimum regulatory requirements. Compliance with these standards may be incompatible with community expectations. There may also need to be other trade-offs for other Council activities to enable the investment required for Three Waters.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

There may also be no longer term efficiencies gained through economies of scale that a joined-up approach with a larger Council or group of Councils could bring.

	How we work now	Under the standalone business unit model
Who provides the water from my tap?	Water services are delivered by WDC	
Who looks after wastewater (the stuff that goes down the sink and toilet)	Wastewater services are delivered by WDC	
Who manages where stormwater goes?	Stormwater services are managed by WDC	
Who do I call if I have a problem?	WDC	
Who has control over decision about waters infrastructure?	WDC Mayor + Elected Members	
What will it cost?	Costs will increase – these	Costs will increase – these

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

	<p>costs are going up no matter what.</p> <p>Under our current model we cannot do what needs to be done in a timely way, that is affordable for our communities.</p>	<p>costs are going up no matter what.</p> <p>This option (Option 2) will cost more each year than the preferred option. While the average cost per connection looks similar over the next ten years, after that, a joint water services organisation becomes noticeably cheaper.</p> <p>Longer-term challenges need to be funded - We need to fund major water infrastructure upgrades over the next 15–30 years, which are likely to become more expensive over time. This could require substantial borrowing and limit our ability to invest in other important areas.</p>
<p>Will I get charged differently?</p>	<p>No</p> <p>You would continue to be charged the same way</p>	

What does this mean for Whakatāne District Council?

Under the standalone option

<p>Rates</p>	<p>Over time, the rates we charge for three waters services will increase.</p>
<p>Debt</p>	<p>Council debt relating to water services will be high and will constrain the debt finance we can access to fund other activities.</p>

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Levels of service	We expect our levels of service will improve under this option but the focus over the next ten years is on achieving compliance with regulatory requirements.
Charges for water services	We'll continue to charge for water services through rates.

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Our water services at a glance

Three waters in the Whakatāne District

	Water supply	Wastewater	Stormwater
Services	13,056 drinking water connections	12,143 wastewater connections	10,650 stormwater connections
Assets	<ul style="list-style-type: none">• nine water supply schemes – Whakatāne/ Ōhope, Otumahi, Rangitāiki Plains, Tāneatua, Murupara, Matatā, Waimana, Rūātoki, and Te Mahoe• 11 treatment plants• 20 pump stations (including groundwater bore pump sites)• 23 reservoirs• 618km of pipes• There are 16 consents associated with the take and use of water.	<ul style="list-style-type: none">• six wastewater schemes covering 1,690 hectares of land, providing wastewater services to the urban and residential areas of Whakatāne, Edgecumbe, Tāneatua, Ōhope, Te Mahoe, and Murupara• six treatment plants• 55 pump stations• 249km of piped assets• There are 13 consents associated with the treatment of wastewater including the discharge of treated wastewater to land and water, and odour.	<ul style="list-style-type: none">• nine stormwater schemes covering 1,700 hectares of land and 78% of the population in the district.• 19 pump stations• 281km of streams• 1,560 manholes• 118km of piped assets• 46 consents for stormwater discharge• Council is in the process of applying for a comprehensive stormwater consent for its Whakatāne scheme and other areas in the district will follow.
Replacement asset value*	\$209.3m	\$115.9m	\$129.5m

*A ‘replacement asset value’ is what the current cost is to replace all of the assets that you are spending money on maintaining.

Current charges

Right now, the average cost per connection in the district is \$1,990 per year for water services. This includes:

- \$923 for drinking water
- \$500 for stormwater
- \$567 for wastewater

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Let’s talk

This is not a vote or referendum. It will be up to Elected Members to decide which model they proceed with.

Kōrero Mai

Have your say

We're seeking community feedback on the options from now until Sunday, 18 May. We'll also be hosting community pop-in sessions and attending Community Board meetings. Following community feedback, elected members will decide a preferred option for water services delivery before submitting a Water Services Delivery Plan to the Department of Internal Affairs.

There are many ways to have your say:

koreromai.whakatane.govt.nz/wai-it-matters

koreromai@whakatane.govt.nz

Whakatāne District Council, Private Bag 1002, Whakatāne 3158

Contact your elected members: whakatane.govt.nz/elected-members

Community pop-in sessions

Tuesday 29 April

4pm – 6pm

Matatā – Drift carpark

Thursday 1 May

4pm – 6pm

Whakatāne Civic Centre, Commerce Street

Saturday 3 May

8am – 12:30pm

Ōhope Craft Market

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Sunday 4 May
8am – 1pm
Whakatāne Sunday Market

Monday 5 May
4pm – 6pm
Edgecumbe - Riverslea Mall

WE’LL KEEP YOU IN THE LOOP

Whether or not you choose to make a submission, we’ll keep you posted on progress with Local Water Done Well via our website and social media channels.

Scan me <QR code> Tell us what you think by 5pm, Sunday 18 May 2025. [Kororomai.whakatane.govt.nz/wai-it-matters](https://kororomai.whakatane.govt.nz/wai-it-matters)

Timeline

- April 17 – May 18 - Kōrero mai, have you say. Submission period open.
- 5 June – Hearings / oral submissions heard
- 26 June – Summary of consultation / Elected members agree preferred option on Waters Services Delivery
- By 3 September – Council needs to provide a Water Services Delivery Plan to the Department of Internal Affairs

Read more on Local Water Done Well at www.whakatane.govt.nz/wai-it-matters

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Local Water Done Well
Submission form

Submissions close 5pm, Sunday 18 May 2025

Full name:

Organisation: (if applicable)

Address for correspondence:

Email:

Phone:

Privacy statement: All submissions (including names and contact details) may be provided in full to Elected Members. Submissions (including names but not contact details) may be made available to the public at our office and on our website. Your personal information may also be used for the administration of the consultation process, including informing you of the outcome of the consultation. All information collected will be held by Whakatāne District Council, 14 Commerce Street, Whakatāne with submitters having the right to access and correct personal information.

☐ I acknowledge that I have read the privacy statement and am happy to proceed.

I wish to present my submission verbally to a public Council hearing on 5 June. If required, due to the number of requests to make an oral submission, Council will schedule an additional day for hearings.

Yes ☐ No ☐

8.4.2 Appendix B - Draft Consultation Document for local water service delivery options(Cont.)

DRAFT – Reflecting Elected Members’ discussion of 26 March 2025

Question time - We want to hear what you think

Do you agree with our preferred option? (Multi-Council-Controlled-Organisation)

☐ Strongly disagree ☐ Disagree ☐ Neither agree or disagree ☐ Agree ☐ Strongly agree

Do you have any other feedback you would like to share about our preferred option?

Do you have any suggestions or concerns about the reliability, affordability, or quality of future water service delivery?

8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)

8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)

8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)

Local Water Done Well *Te reo*

Consultation Document April 2025
Reo to come

scan here 

Kōrero Mai

Tell us what you think by
5pm, Sunday 18 May

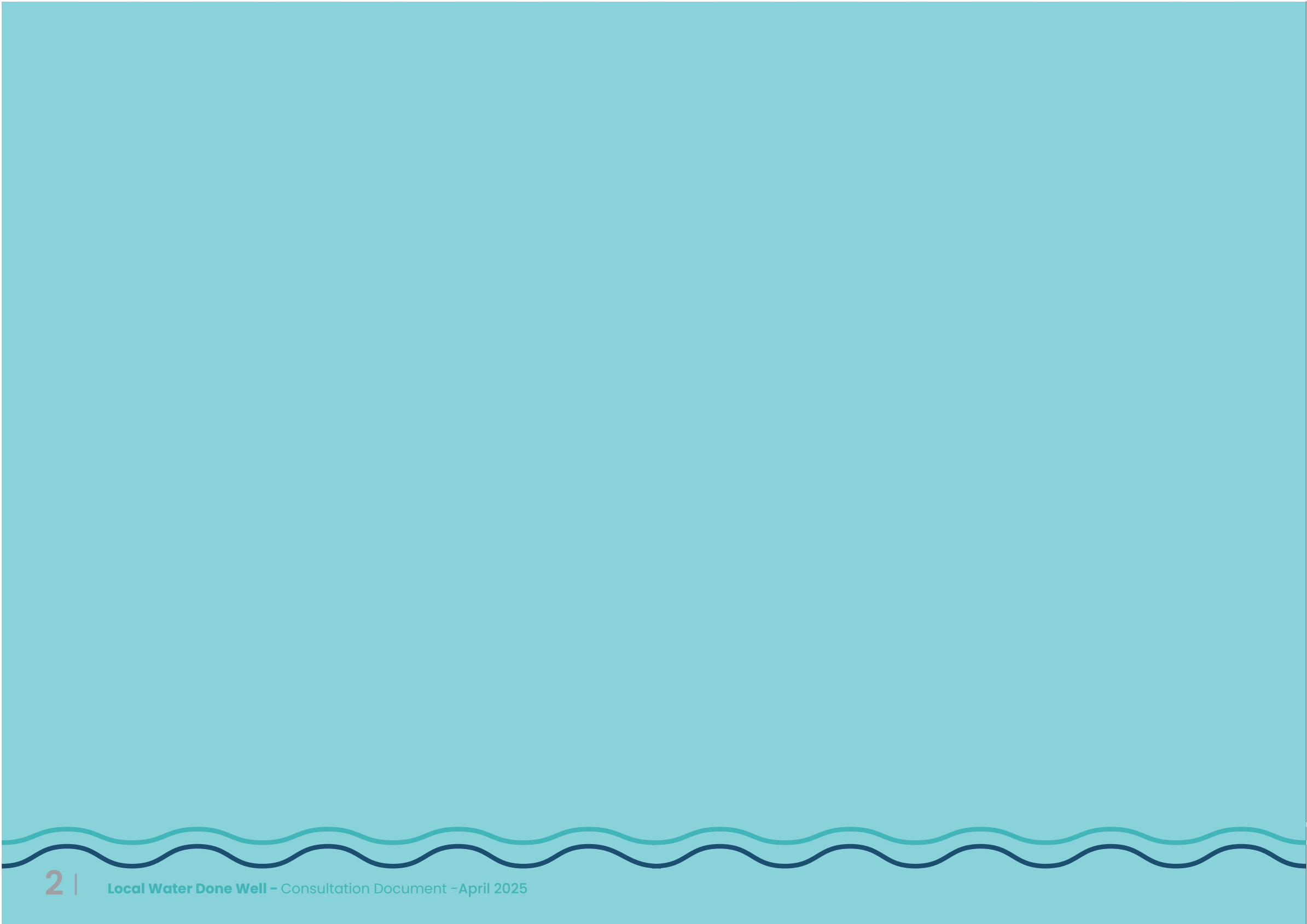
Wai IT MATTERS

koreromai.whakatane.govt.nz/wai-it-matters

 **Kōrero mai**
SHAPING YOUR DISTRICT

 **WHAKATĀNE**
District Council
Kia Whakatāne au i ahau

8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)



8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)

Contents
Te reo

Mayor’s foreword 4

Have your say on how water services are delivered in Whakatāne District 4

What’s happening? 5

What’s Local Water Done Well? 5

Key elements of Local Water Done Well..... 5

We need a plan 6

We’re not alone 7

Big changes are coming 8

We’ve done our homework 8

The shortlist 9

Other options considered 9

You’ve got a key role in this 9

Our water services at a glance 10

The dollars and cents 11

Let’s take a look at the options..... 12

Option 1: Forming a multi-council-controlled organisation - our preferred option..... 12

What does this mean for me?..... 15

Let’s partner up..... 17

Option 2: A standalone business unit within Council..... 20

Key points about this option 20

Let’s talk 23

Local Water Done Well Submission form 25



8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)



Mayor's foreword
Te reo

WDC to draft.

Have your say on how water services
are delivered in Whakatane District



8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)



What’s happening? *Te reo*

As a community, we have a big decision to make about how water services are delivered. And it’s more than just about the water you drink, where rain water goes, and flushing the loo! It’s about keeping things affordable and looking after the environment too.

What’s ‘Three Waters’?

- Drinking water
- Wastewater
- Stormwater
- The networks of pipes and other infrastructure that allow water to be treated, transported and discharged.

Graphic
to come

What’s Local Water Done Well? *Te reo*

The Government has introduced its Local Water Done Well legislation replacing the previous government’s water reform programme.

Local Water Done Well aims to:

- address New Zealand’s longstanding water infrastructure challenges, relating to: drinking water, stormwater and wastewater.
- address how waters infrastructure across New Zealand is funded and delivered in a financially sustainable way
- introduce a new regulatory system for water services with stricter environmental, economic, and health standards

Local Water Done Well puts the onus on us to choose the best way to deliver water services to our communities.

Graphic
to come



8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)



Key elements of Local Water Done Well Te reo

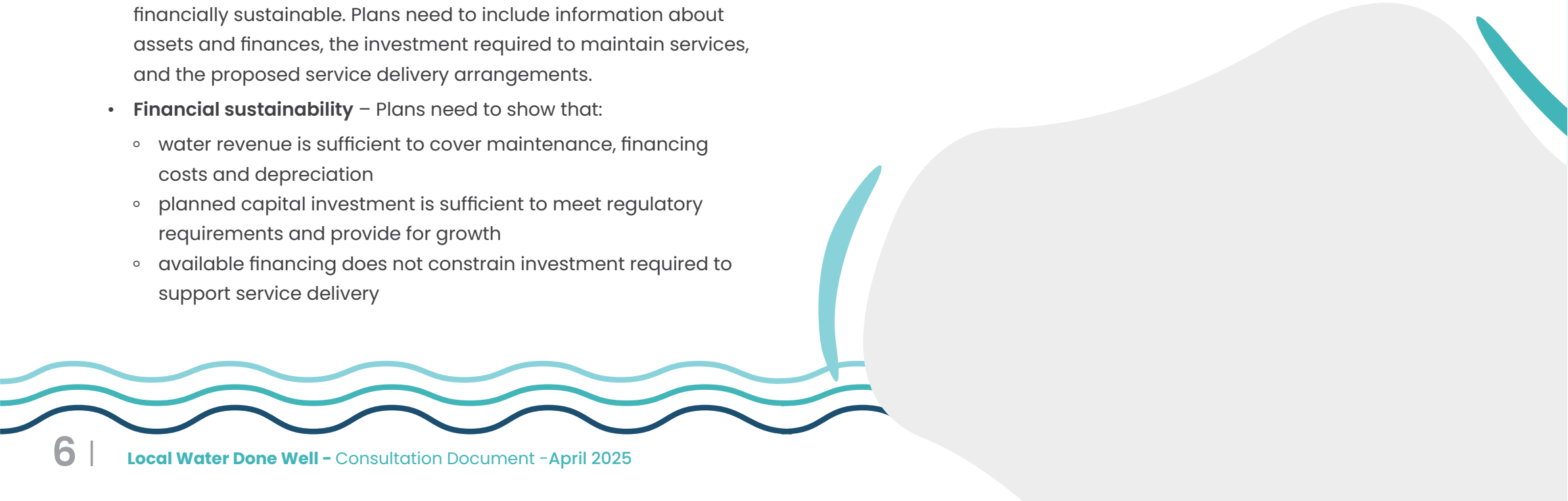
The Government’s Local Water Done Well policy will significantly change the operating environment for water services in New Zealand, with significant implications for Council service delivery.

New regulatory requirements, coupled with new structural and financing tools, will lead to significant changes in service provision over time, including the adoption of new service delivery models.

Local Water Done Well has some key features:

- **Water Service Delivery Plans** – Plans need to show how councils will meet water quality and infrastructure rules, while being financially sustainable. Plans need to include information about assets and finances, the investment required to maintain services, and the proposed service delivery arrangements.
- **Financial sustainability** – Plans need to show that:
 - water revenue is sufficient to cover maintenance, financing costs and depreciation
 - planned capital investment is sufficient to meet regulatory requirements and provide for growth
 - available financing does not constrain investment required to support service delivery

- **Ringfencing** – Councils will be required to ringfence their water services from other Council activities.
- Councils will be required to meet **new information disclosure and reporting requirements**.
- **Ability to borrow to fund water services** – the Local Government Funding Agency sets limits on the debt funding that different councils and council-controlled organisations delivering water services can access.



8.4.3 Appendix C - Draft Designed Consultation Document (example only - content not updated)(Cont.)

We need a plan

Te reo

Like all councils across the country, we need to make a Water Services Delivery Plan and submit this to the government by 3 September 2025. This plan must outline our current state and approach, how water services will be sustainably delivered through our preferred delivery model, how we'll meet future health, economic and environmental regulations, what's needed to address regulatory requirements and future growth, and where investments will be made to meet service and regulatory requirements and how we'll finance these.

. To do this well, we need your input.

Our district is growing. We want to look after what we've got, protect our precious environment, and continue to make good on our vision of More Life in Life.

Graphic
to come

8.5 2025 Speed Limit Setting – Consultation Approval**8.5 2025 Speed Limit Setting – Consultation Approval**To: **Infrastructure and Planning Committee**Date: **Thursday, 10 April 2025**Author: **J Metcalfe / Team Leader Transport Strategy and Assets**Authoriser: **D Bewley / GM Planning, Regulatory and Infrastructure**Reference: **A2858923****1. Reason for the report - *Te Take mō tēnei rīpoata***

The purpose of this report is to seek approval from the Committee, to undertake consultation on proposed speed limits, on the local road network. This report also provides an update on changes to school speed limits as required under the 2024 Setting of Speed Limits Rule (the Rule).

For clarity, school speed limit changes are not being consulted on, as the changes are mandatory under the Rule. We will provide a separate update to the public for information purposes only.

2. Recommendation/s - *Tohutohu akiaki*

1. THAT the 2025 Speed Limit Setting - Consultation Approval report be **received**; and
2. THAT the Infrastructure and Planning Committee **notes** that the current reduced speed limits at Te Mahoe School and Waimana School will be transitioned to variable school speed limits **before** 1 May 2025, in compliance with mandatory legislative school speed limit requirements; and
3. THAT the Infrastructure and Planning Committee **notes** that new variable school speed limits will be implemented by 1 July 2026, in accordance with legislative requirements, with funding allocated from existing budgets; and
4. THAT the Infrastructure and Planning Committee **approves** proceeding to public consultation on all proposed speed limits (as outlined in Tables 1 and 2 of this report).

3. Background - *He tirohanga whakamuri***3.1. Legislation and Guidance**

The Rule empowers road controlling authorities to set speed limits after considering safety, economic impacts, and the views of road users and the community. It aims to contribute to an effective, efficient, and safe land transport system by considering speed limits alongside safety infrastructure and safety camera enforcement.

In recent years, there have been several significant changes to the NZ Setting of Speed Limits Rule. The most recent update is the Land Transport Rule: Setting of Speed Limits 2024.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)

It sets out criteria, requirements, and procedures for Road Controlling Authorities, when reviewing and setting speed limits for roads within their jurisdictions. This Rule revokes and replaces the previous 2022 rule.

The key points of the Rule with regard to our Council's setting of Speed Limits are:

- Mandatory, variable speed limit reductions are required outside schools during pick-up and drop-off times by 1 July 2026.
- Speed limits of 30kph must be reversed, if they were set after 1 January 2020, on roads classified as local residential streets, and the reason, or one of the reasons for setting 30kph, was because there was a school in the area. The RCA must set the new speed limit by 1 May 2025, and it must be in force by no later than 1 July 2025. If the road is also outside a school the new speed limit must be a variable school speed limit.
- All other desired speed limit changes must go through the new consultation process. This report outlines the proposed speed limit changes, recommended to put out for public consultation.

4. Discussion – Kōrerorero**4.1. Speed Limit Reversals**

The new Rule requires two mandatory reversals on Whakatāne District Council roads:

- Waimana School – Waimana Road and Raroa Road.
- Te Mahoe School – Te Mahoe School Road and Te Mahoe Village Road.

These reversals are required due to being 30kph speed limits, set after 1 January 2020, on roads classified as local residential streets, where the presence of a school was one of the reasons for the 30kph limit. These speed limits must be reversed by 1 May 2025 and the new speed limit be in force by 1 July 2025. The implementation of variable school speed limits is also mandatory under the new Rule, so these roads must have a new variable school speed limit set as part of the reversal process. Even though the variable school speed limits are mandatory, each change requires approval prior to implementation to ensure compliance around details such as location. We intend to immediately reinstate these 30kph speeds with 30/50kph variable speed limits. The immediate switch is on the basis that approval for the new variable speed limit is received from the NZTA Director for Transport in an appropriate time frame. If approval is not received by 1 May 2025, then the speed limits will have to be reverted back to 50kph until such time as approval is received for the new variable speed limit.

4.2. Variable School Speed Zone setting

In accordance with the Rule, all schools must have variable speed limits in place by 1 July 2026. The Variable School Speed Zone is to include the section of the road immediately adjacent to the school gate or other access used by students to enter or leave the school, usually measuring (with reasonable, practicable modifications) as:

- a. 300 metres for a category 1 school; or
- b. 600 metres for a category 2 school.

Category 1 schools are typically in urban areas and category 2 schools are typically in rural areas.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)

Staff have undertaken an assessment of the school zones and have provided maps of the areas that will be impacted by these changes as Appendix A. In deciding a sensible and reasonable approach for each relevant school zone, the Rule allows for consideration to be given to the road environment and resulting sign placement needs. Reasonably practicable modifications include extending the length of road treated as outside a school gate to cover:

- long drop off zones;
- to meet another school gate along the same road or around a corner;
- to include a cluster of schools; and
- to avoid having short sections of road with no variable speed limit.

These modifications are most prominent for the Whakatāne Schools, where the cluster of James Street Primary, Whakatāne Intermediate, Seventh Day Adventist, Saint Joseph's School, Allandale Primary and Whakatāne High School, requires a clustered zone approach to avoid short sections (less than 300m) between individual school zones.

Time periods for the Variable School Speed Zones will be confirmed in consultation with the schools. The final times will also consider, consistency with nearby schools and readability of the static signs.

4.3. Proposed Discretionary Speed Limit Changes

At the Council Briefing held on 20 November 2024, Councillors were presented information relating to the Rule, alongside suggestions for speed limit changes on local roads within the district due to either high-safety risks or speed limits being out of context with the adjacent land use. Councillors provided input into these suggestions and the selection has been refined to reflect this input as well as further requests from the community.

Proposed speed limit changes have been separated into two categories for this report, distinguished by speed limit changes where there is a general consensus on the change from Council, and those where there is no general consensus. Staff recommend that both categories be consulted with the public, to assess the community's desire for these changes, to help inform Councillor's final decision on the speed limits to be adopted.

The following Table 1 and Table 2 provide a list of the proposed changes:

Infrastructure and Planning Committee - AGENDA

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)

Table 1: Proposed Speed Limit Changes with Council's General Consensus					
Site Name	Location	Rational	Length	Speed limit (kph)	
				Current	Proposed
Withy Road		Requested by residents. Windy Road with limited visibility and part is unsealed.	2500m	100	70
Te Teko Road	from Okaahu Road intersection south to existing 50kph area.	Current speed is out of context with adjacent land use.	325m	100	50
Thornton Road - East Bank and West Bank Intersections	Thornton Road, 250m west of West Bank Road to 250m east of East Bank Road	Requested by residents and Thornton School. Complex intersections with poor visibility and high usage that could result in significant crashes.	750m	100	70
Wainui Road - Tio Oyster	From Tauwhare Pa Scenic Reserve southern carpark exit heading south for 830m	Current speed is out of context with adjacent land use.	830m	100 (temp 60)	60
Thornton Road - SH30 to past Blueberry Corner	From SH30 to the western boundary of 462 Thornton Road	High risk road with significant crash history.	4650m	100	80
Shaw Road Subdivision	For the full extent of Shaw Road and adjoining roads urban area	Current speed is out of context with adjacent land use.	1000m	100	50
Thornton Beach Road (carpark and boat ramp)	From existing speed hump north to the end of the carpark area	Current speed is out of context with primary use as car park, boat ramp and access to beach.	570m	50	30
West End Road	From Vills Glade to West End Car Park	Current speed is out of context with usage as access and parking for the beach and reserve areas.	970m	50	30
Galatea Road - Waiōhau	Current 80/100 speed boundaries	Provide consistency with other rural village speed limits	1970m	80	60
Pukehou Road – Waiōhau	Full extent of road	Included as part of Waiōhau , requires less signs, and provides consistency	2900m	80	60
Papanui Road – Waiōhau	Full extent of road	Included as part of Waiōhau , requires less signs, and provides consistency	1500m	80	60
Galatea Road - Matahina Dam	Top of Matahina Dam	Requested by Manawa Energy to provide safety for workers and users while also helping to protect assets from high-speed collisions.	700m	100	60
Galatea Road - Matahina Dam eastern approach	From Matahina Dam to 750m north of Matahina Dam	Requested by Manawa Energy to provide safety for workers and users. Steep windy section of road on approach to dam.	750m	100	80
Rototaha Road - Matahina Dam eastern Approach	Full extent of road	Current speed limit is out of context with primary usage as boat ramp and car parking area	700m	100	60

Infrastructure and Planning Committee - AGENDA

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)

Galatea Road - Matahina Dam western approach	From Matahina dam to 1000m west of Matahina Dam	Requested by Manawa Energy to provide safety for workers and users. Steep windy section of road on approach to dam	1000m	100	80
Reid Road	From Awahou Road to 500m south of Awahou Road	Legalising prior movement of speed limit signs.	500m	70	100
Airport - Tassel Drive	560 m east of end of road	Requested by Airport Management. Existing speed limit is out of context with primary usage as parking and drop-off/pick-up area for the airport.	560m	60	30

Table 2: Proposed Speed Limit Changes with limited consensus					
Site Name	Location	Rational	Length	Speed limit (kph)	
				Current	Proposed
Tāneatua Road	Full Extent	High risk road with significant crash history.	8250m	100	80
Valley Road	Commerce Street to Tāneatua Road (full extent)	Speed limit is out of context with other arterial roads in Whakatane.	2500m	70	50
Ōhope Road	From Ōtarawairere Road to Pohutukawa Ave	High risk road with significant crash history.	1300m	100 (temp 60)	80
Wainui Road	From 830m south of Tauwhare Pa Scenic Reserve to Whakatane District Boundary (Harrison Road).	High risk road with significant crash history.	8600m	100	80
Te Teko Road - Te Teko to Edgecumbe	From Otahuhu Road to Main Road	High risk road with significant crash history.	5800km	100	80

4.4. Consultation Process

Public consultation will be in line with requirements under the Rule, including provision of the following information, contained in Appendix B for each site:

- current and proposed speed limits;
- reasons for the proposed change;
- estimated change in travel time/speed;
- crashes per year for the last five years;
- expected crash reduction; and
- proposed cost.

As well as the general public, staff will also ensure that the following groups are consulted with:

- Businesses impacted by the changes;
- Iwi/Hapū;
- Adjoining road controlling authorities: Ōpōtiki DC, Waka Kotahi;
- Road users in and outside of the district;
- Affected schools.

Should the Committee approve the preferred option, consultation will commence late-April 2025 and run for five working weeks to the end of May 2025.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)

Consultation channels will include:

- Social media posts.
- Public notices and media releases.
- A live web map.
- Letters to adjacent Marae and Māori landowners/trustees.
- Direct discussions with neighbouring road controlling authorities.
- Letters to Eastern Bay of Plenty business associations and schools.

4.5. Consultation questions

For each speed limit being consulted on, feedback will be sought on the level of support for the proposed changes, as well as the impact of the changes on individuals or organisations. This approach is consistent with the method of reporting used by NZTA for their recent state highway speed limit consultation and will allow for consistent review.

5. Options Analysis - *Ngā Kōwhiringa*

The options presented below relate to the decision to commence consultation or otherwise, on the proposed discretionary speed limit changes. Adoption of any or all, of the proposed discretionary speed limit changes, will require a final decision from Council as detailed in the Next Steps section of this report.

No approval is sought for the reversal and school speed changes as these are mandatory requirements under the new Rule.

5.1. Option 1 – Approve Consultation for 2025 Speed Limit Setting (Recommended option)

Advantages	Disadvantages
<ul style="list-style-type: none"> • Allows sufficient time to have decisions relating to speed limits completed in the current Council term. 	<ul style="list-style-type: none"> • Administrative cost of the consultation and decision-making processes, and implementation costs.

5.2. Option 2 - Request modification to consultation document for 2025 Speed Limit Setting and delegate final approval to sub-committee of three nominated Councillors for Approval

Advantages	Disadvantages
<ul style="list-style-type: none"> • Allows sufficient time to have decisions relating to speed limits completed in the current Council term. • Allows for any changes to be made to the list of proposed speed limits to consult on, without undue delay to moving into consultation phase. 	<ul style="list-style-type: none"> • Administrative cost of the consultation and decision-making processes, and implementation costs.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)**5.3. Option 3 – Delay decision to undertake consultation to future Infrastructure and Planning Committee Meeting**

Advantages	Disadvantages
<ul style="list-style-type: none"> None. 	<ul style="list-style-type: none"> Discretionary speed limit changes will be delayed potentially increasing harm on the road network. Further delays to progressing any speed limit changes, frustrating members of public that have been requesting some of these changes for many years, but they have been held up through the various iterations and changes to the Rule. Delays will likely result in consultation and final decisions being split over different Council terms.

5.4. Option 4 – Implement only changes required by the Rule and do not undertake consultation

Advantages	Disadvantages
Provides sufficient time to implement changes to speed limits as required by the Rule.	<ul style="list-style-type: none"> Discretionary speed limit changes will be delayed potentially increasing harm on the road network. Not progressing any speed limit changes, will frustrate members of public that have been requesting some of these changes for many years, but they have been held up through the various iterations and changes to the Rule.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko**6.1. Assessment of Significance**

The decisions and matters of this report are assessed to be of moderate significance, in accordance with the Council's Significance and Engagement Policy.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)

Significance Criteria	Impact Assessment
Level of community interest: Expected level of community interest, opposition or controversy involved.	<i>Moderate</i>
Level of impact on current and future wellbeing: Expected level of adverse impact on the current and future wellbeing of our communities or District.	<i>Moderate</i>
Rating impact: Expected costs to the community, or sectors of the community, in terms of rates.	Low
Financial impact: Expected financial impact on the Council, including on budgets, reserves, debt levels, overall rates, and limits in the Financial Strategy.	Low
Consistency: Extent to which a proposal or decision is consistent with the Council's strategic direction, policies and significant decisions already made.	Low – is consistent

Reversibility: Expected level of difficulty to reverse the proposal or decision, once committed to.	Moderate
Impact on Māori: Expected level of impact on Māori, considering the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi <u>tapu</u> , valued flora and fauna, and other taonga.	Low
Impact on levels of service: Expected degree to which the Council's levels of service will be impacted.	Low
Impact on strategic assets: Expected impact on the performance or intended performance of the Council's Strategic Assets, for the purpose for which they are held.	Low

6.2. Engagement and Community Views

Community views on matters relating to speed limits are diverse and previous engagement on the topic has resulted in significant feedback. Further engagement, as detailed in this report, is being undertaken in order to better assess the views of the public on specific, well defined speed limit changes and to meet the legislative mandate for consultation for these changes.

7. Considerations - *Whai Whakaaro***7.1. Strategic Alignment**

The decision relating to this report is consistent with Long Term Plan strategic priority to “Enhance the safety, wellbeing and vibrancy of the community”.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)**7.2. Legal**

Speed Limit changes are facilitated by the Setting of Speed Limits Rule 2024 as outlined in the report. The decisions in this report are consistent with meeting the requirements of this legislation.

7.3. Financial/Budget Considerations

Since the previous Council briefing on Speed Limits (20 November 2024), NZTA have confirmed that there will be some co-funding available to implement school speed zones, although no confirmation has been received as to the quantum of funding that will be made available to Council for this purpose.

The cost of implementing the mandatory reversals, required to be implemented by 1 July 2025 is shown below:

School Name	Speed (kph) Required	Signs Required	Estimated cost
Te Mahoe School	30/50 variable	1 electronic	\$20,000
Waimana School	30/50 variable	3 static	\$6,000
		Total Estimated Cost	\$26,000

Staff will work to implement all other school speed zones by their required due date of 1 July 2026, within existing budgets. The estimated cost for the various speed limit changes are summarised in the following table:

Change	Estimated Cost
Speed Reversals	\$26,000
School Speed areas	\$424,000 - with electronic variable signs on arterials \$280,000 - without electronic variable signs.
Discretionary Speed Limit Changes	\$180,000 (if fully implemented*)
*\$45,000 of this is allocated to the West Bank and East Bank intersection speed zones where electronic signage is currently planned.	

The speed reversals and school speed areas must be implemented. The discretionary speed limit changes and the use of electronic signs for the school zones is optional/does not have a deadline for install.

If NZTA provide co-funding, then this will enable the use of electronic variable signs on our main arterial routes, however if funding is not forthcoming budget limitations will require these to be the less effective, static signs.

Any approved changes to the proposed speed limits in Tables 1 and 2, will be delivered within existing council budgets and will not be eligible for NZTA co-funding. As there is no time limit to their installation, this can be done as budget allows.

8.5 2025 Speed Limit Setting – Consultation Approval(Cont.)**7.4. Climate Change Assessment**

Proposed reductions in speed are consistent with a reduction in climate change emissions for vehicles, however the extents being covered are small and unlikely to have a material impact on district wide emissions.

There are no significant or notable impacts associated with the matters of this report.

7.5. Risks

Risk	Description and/or Mitigation
Over consultation.	There have been a number of recent consultations on speed limits and there may be some consultation fatigue that may limit the number of responses. We will monitor engagement levels through the consultation process and where necessary organise additional activities to increase engagement.
Suppliers unavailable to meet required install dates.	Early engagement and scheduling with suppliers to take place to avoid delays.
Cost escalations.	With a number of Councils seeking the same signage there may be cost escalations if supply does not well match expected demand.
Lack of budget delays implementation.	<p>The mandatory requirements of this Rule and the current lack of co-funding was unknown at the time of developing the current LTP budgets.</p> <p>Staff are mitigating these effects by applying for the school zone co-funding to optimise the current local share budget; however, this is yet to be allocated.</p> <p>Staff have options to manage the timing of the discretionary speed changes, options for lower cost static school signs and the ability to utilise signs renewals funding where new signs replace older signs due for replacement.</p>

8. Next Steps – E whai ake nei

- Staff to notify NZTA of two school speed reversals before 1 May 2025 and implement changes by 1 July 2025.
- Consultation on discretionary speed limits changes to commence end of April 2025.
- Briefing with Councillors on consultation results, 25 June 2025.
- Paper to Infrastructure and Planning committee to recommend speed limit changes, if any, 17 July 2025.

8.5.1 Appendix A - School Variable Speed Areas

- Paper to Council to confirm speed limit changes, if any, 14 August 2025.
- All School speed areas to be implemented, by 1 July 2026.
- Discretionary speed limit changes to be implemented over time as budget allows, commencing, early 2026.

Attached to this Report:

- Appendix A – School Variable Speed Areas
- Appendix B – Discretionary Speed Limit Changes for Consultation

8.5.1 Appendix A - School Variable Speed Areas

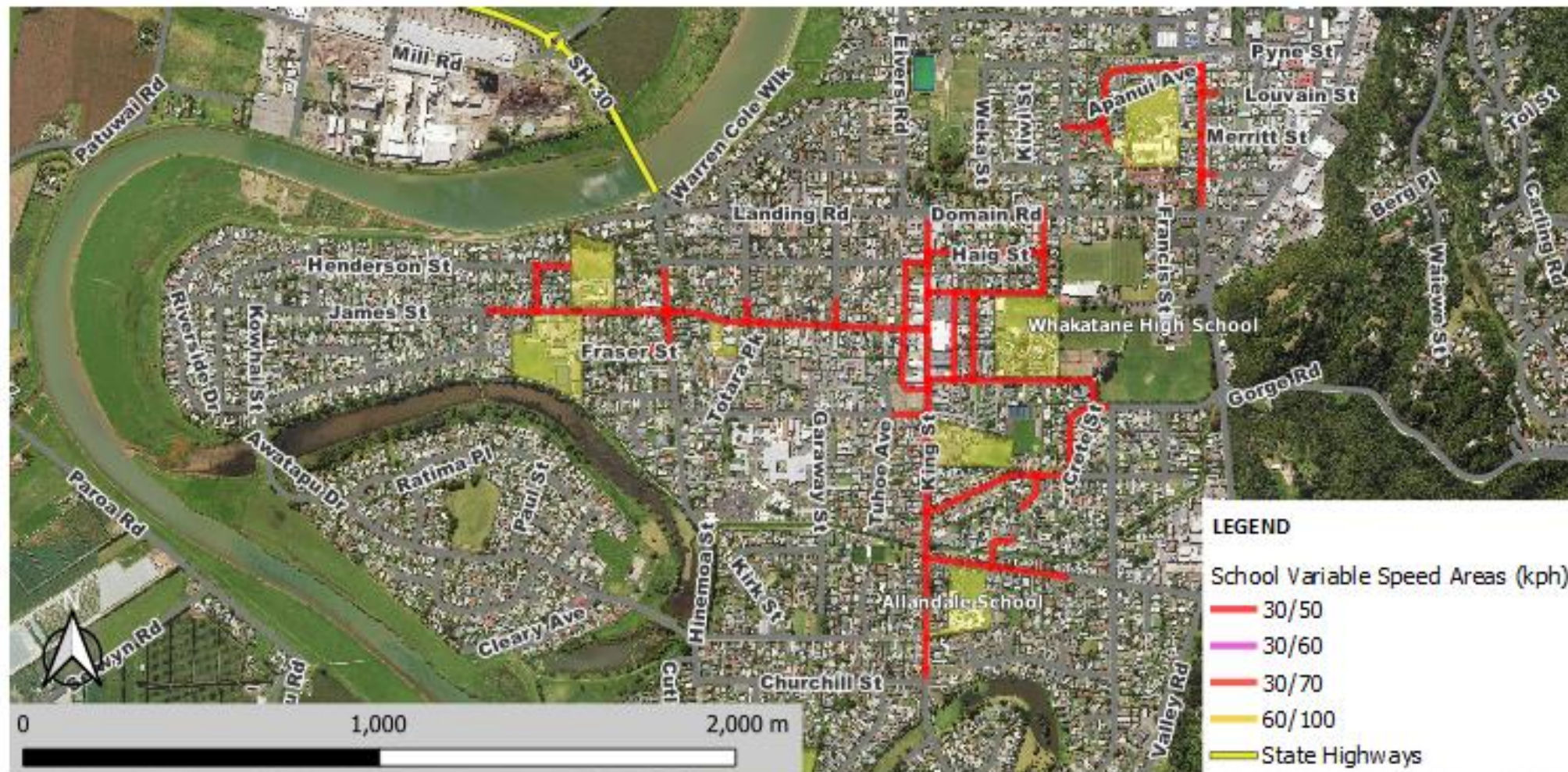
Appendix A

School Variable Speed Areas

Te Mahoe School



Whakatane Schools



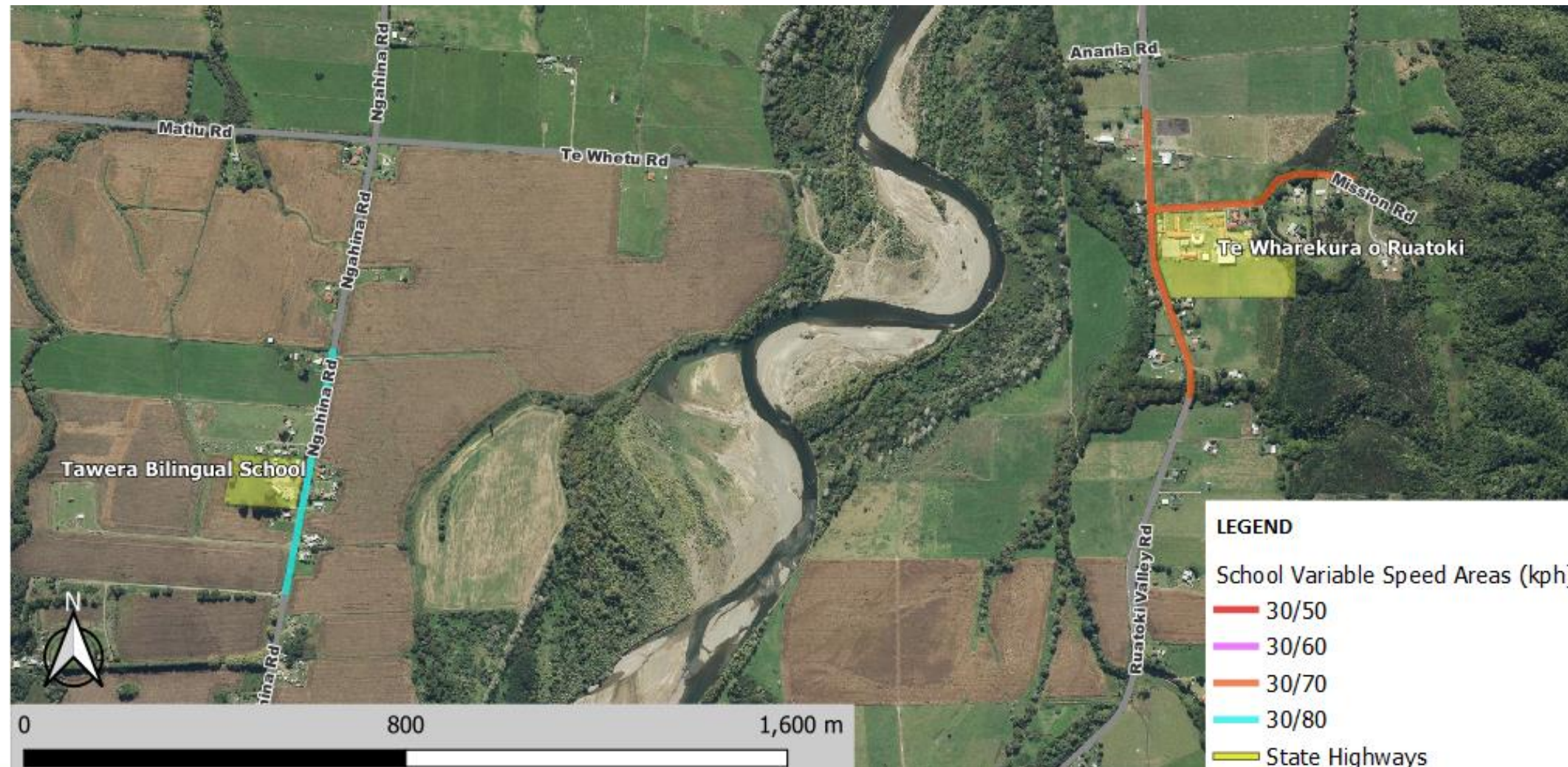
TKKMoTOK Ngati Awa



Matata Schools



Ruatoki Kura



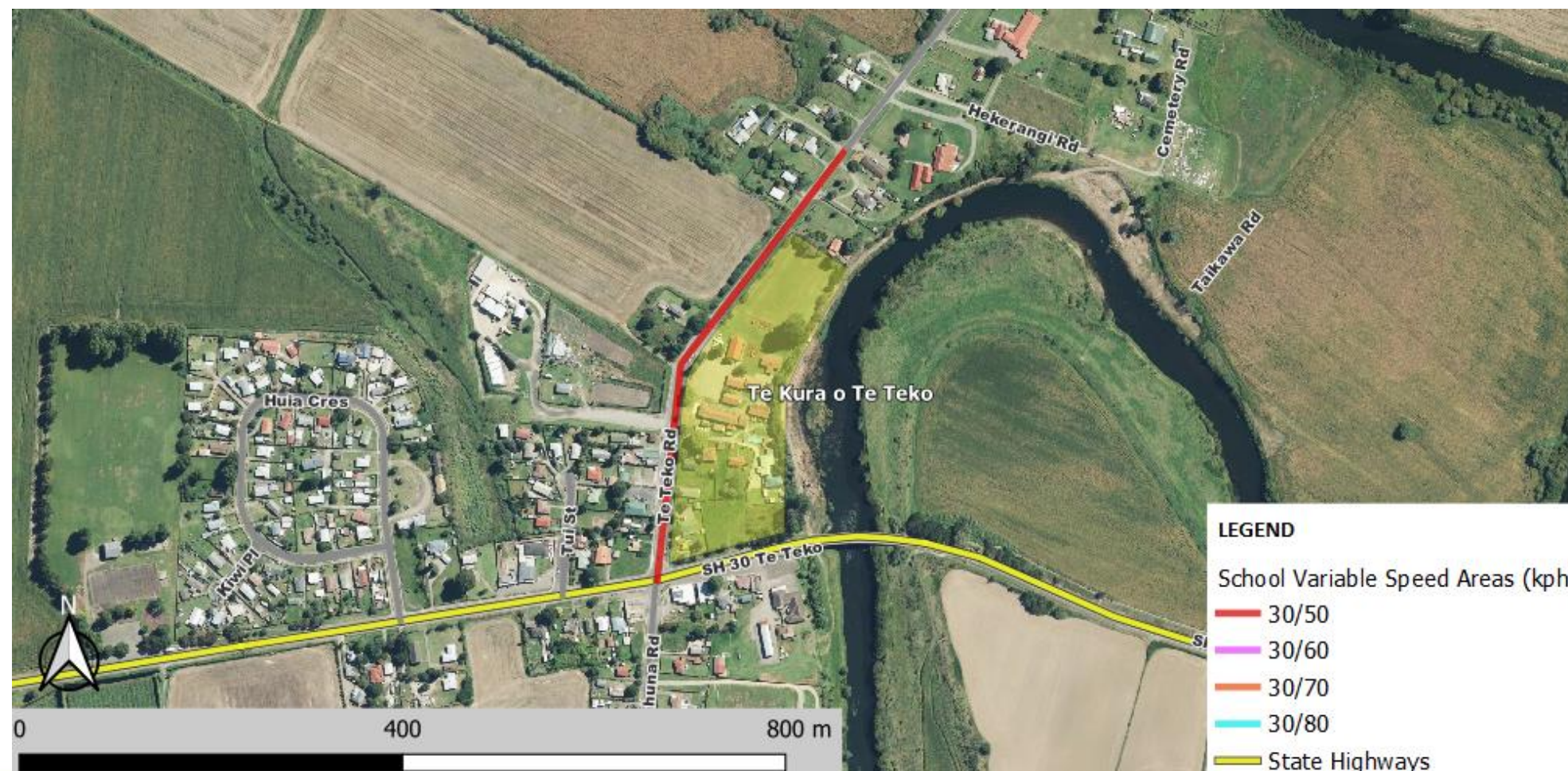
Waimana School



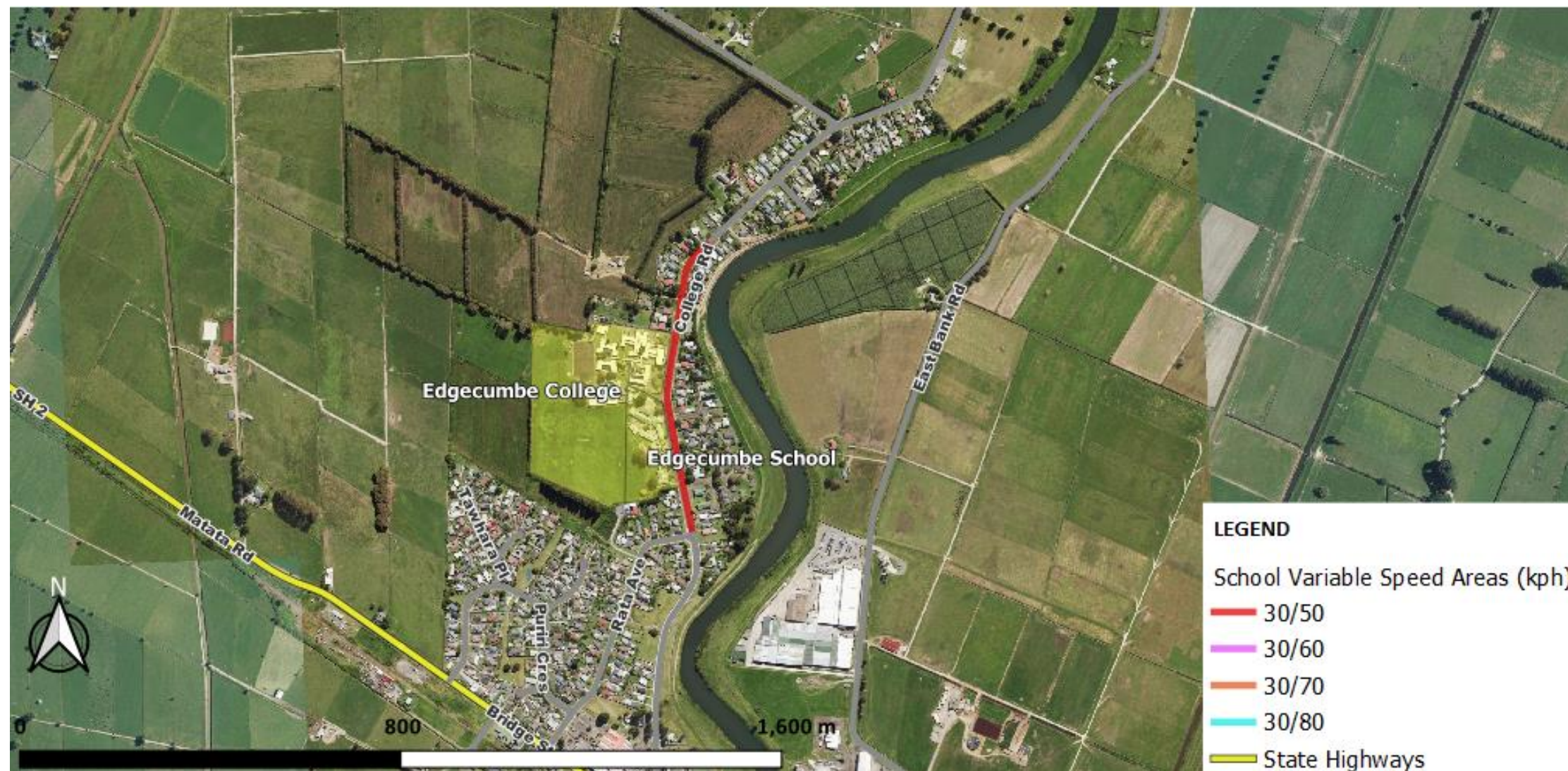
Ōhope Beach School



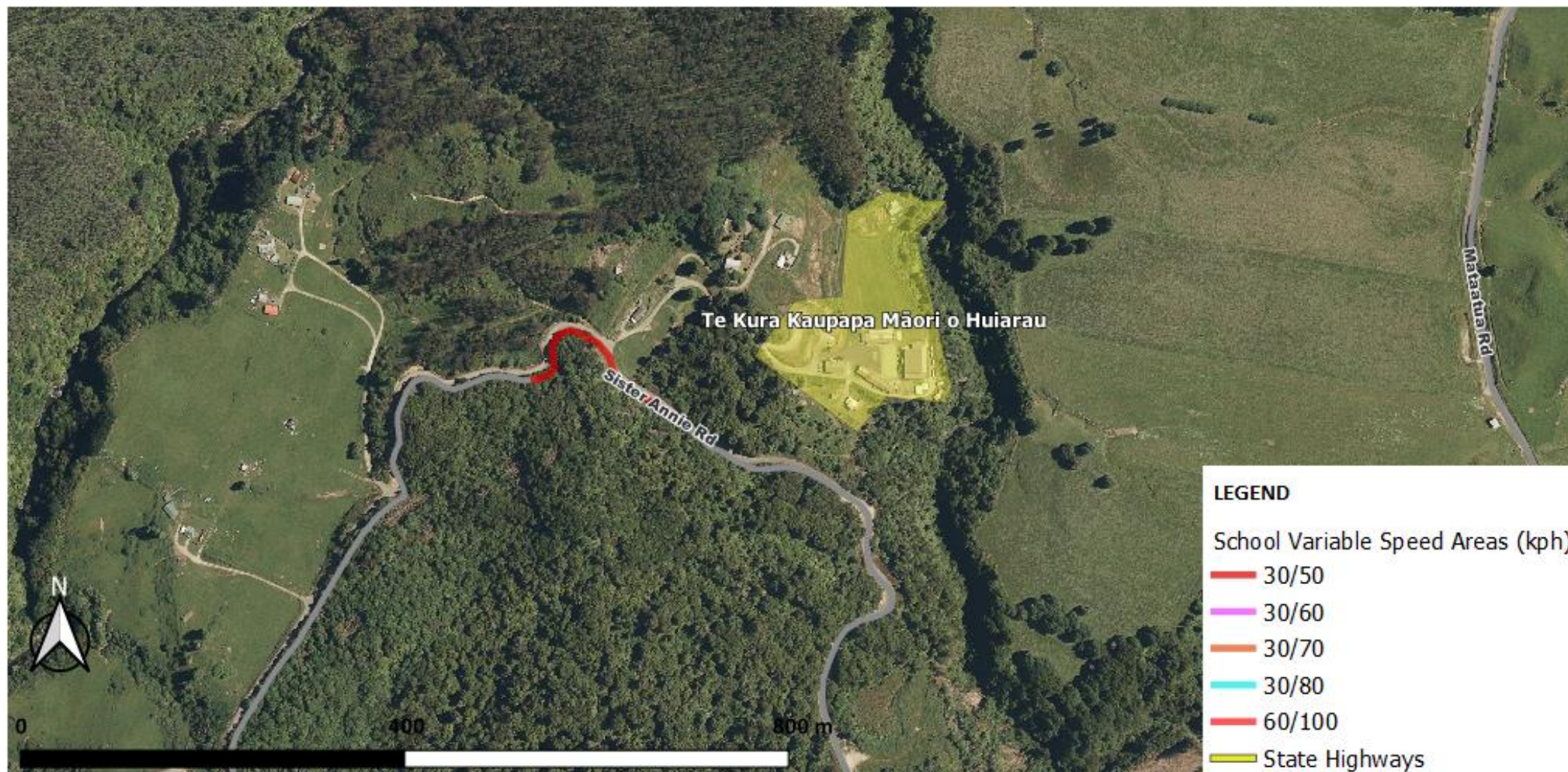
Te Kura o Te Teko



Edgecumbe Schools



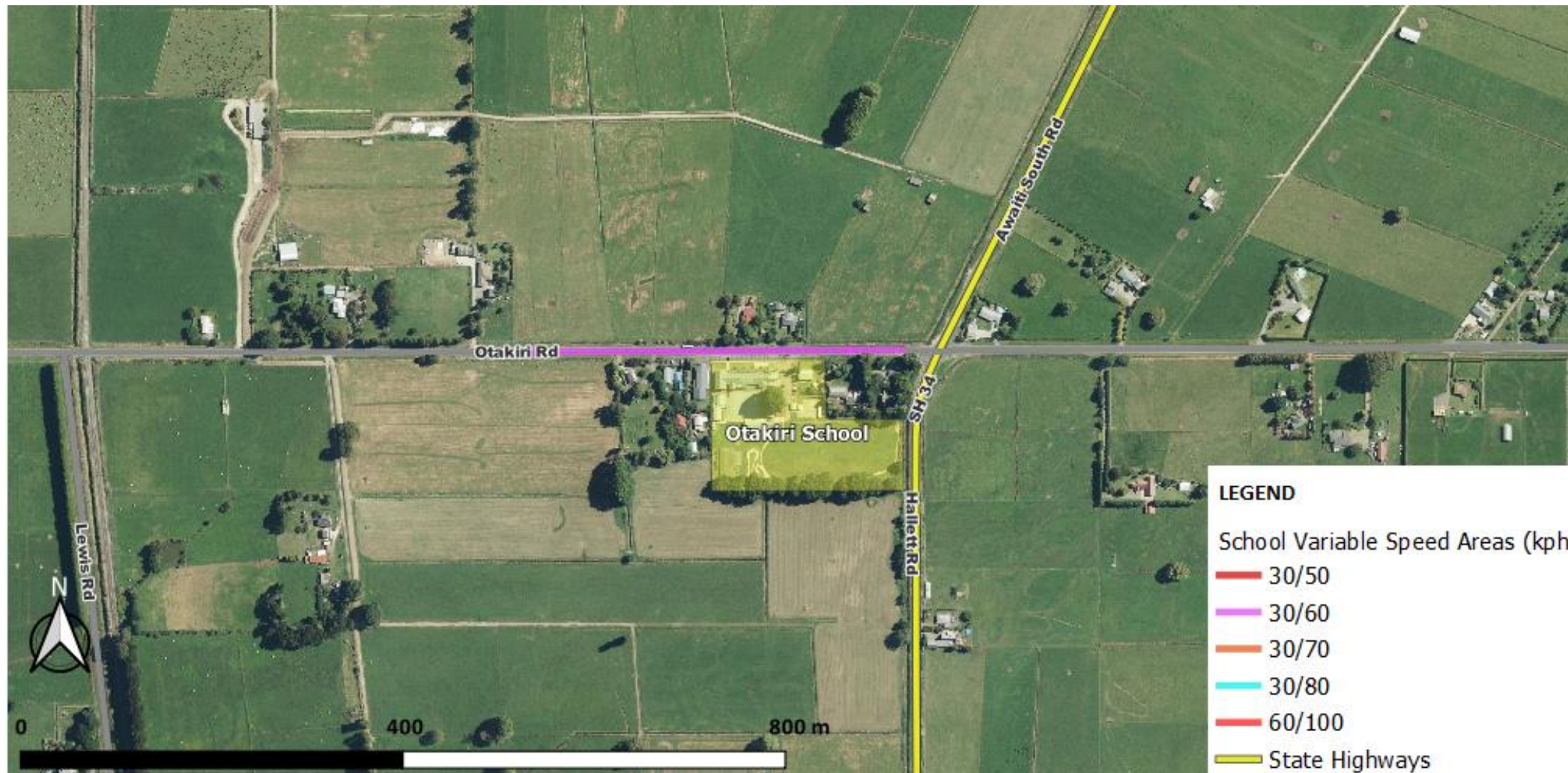
Te Kura Kaupapa Māori o Huiarau



Te Kura Maori-a-Rohe o Waiohau



Otakiri School



Te Kura o Te Paroa



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation

8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation


8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

Appendix B – 2025 Proposed Discretionary Speed Limit Changes



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)


Site Statistics – Sites with general Consensus 1/2





WHAKATĀNE
District Council
Kia Whakatāne au i ahau

Site Name	Location	Length	Speed limit		Role and function of road	ONRC Classification	Why speed limit change has been proposed and consideration alternative infrastructure investment	Estimated change in travel time/speed				Crashes per year (last five)				Expected reduction in crashes				Proposed Cost
			Current	Proposed				speed (kph)	travel time (seconds, cars)	travel time (seconds, trucks)	total increase in time traveled (hours)	fatal	serious	minor	non-injury	fatal	serious	minor	non-injury	
Withy Road	from 1050m west of Braemar Road	2500m	100	70	Provides access to marae and a growing number of dwellings with several recent subdivisions and more currently in planning.	Rural Road and Stopping place, alignment is hilly, tortuous.	Windy road with ongoing residential development, location of Iramoko Marae. Limited alternatives available to mitigate safety risk without significant widening and associated retaining structures and earthworks.	-12	35	35	451	0	0	0	0	0	0	0	0	\$ 5,000
Te Teko Road	from Okaahu Road intersection south to existing 50kph area.	325m	100	50	Provides access to marae, school and homes. Provides for through traffic between Edgecumbe and SH30.	Local Street	Extending existing urban speed limit to cover Tu Teao Marae. Speed risk unable to be mitigated with infrastructure solution.	-12.5	3	3	576	0	0	0	0	0	0	0	0	\$ 15,000
Thornton Road - East Bank and West Bank Intersections	Thornton Road, 250m west of West Bank Road to 250m east of East Bank Road	750m	100	70/80	Key Arterial road with two key intersections within the treatment area.	Rural Connector, rural intersection speed zone	Requested by residents and Thornton School parents due to safety concerns for turning traffic with poor visibility over the Rangitaiki River bridge. Infrastructure investment to reduce risk is not viable as this would require widening the bridge or constructing significant section of new road, both options being uneconomical.	-11.8	4	3	2769	0	0	0.4	0.8	0	0	0	1.4	\$ 45,000
Wainui Road - Tio Oyster	From Tauwhare Pa Scenic Reserve southern carpark exit heading south for 830m	830m	temp 60	60	Key Aarterial with busy stopping area at Tio Oyster farm	Rural Connector, Stopping Place	Increased volume of traffic and visitors to the oyster farm has increased road safety risks. Additional signage has been added however significant risk remains. Road widening could reduce risk however the topography and proximity to Ōhiwa Harbour make this cost prohibitive.	-16	11	11	5,183	0	0	0.4	0.8	0	0	0.7	0	\$ 1,000
Thornton Road - SH30 to Blueberry Corners	From SH30 to 462 Thornton Road Western Boundary	4650m	100	80	Key Arterial between Whakatane, Matata and linking with SH2 to Tauranga and the west	Rural Connector	Due to safety risks and high cost of alternative safety infrastrucutre.	-7.8	19	13	12,028	0	0.4	1.8	3.4	0	0.3	2.1	4.1	\$ 20,000
Shaw Road Subdivision incorporating Kakariki Drive, Shaw Road, Takahe Close, Karearea Drive, Kotare Drive and Korimkio Place	For the full extent of Shaw Road and associated urban area	1000m	100	50	Urban Sub-Division area	Local Streets	Current speed is out of context with adjacent land use. Speed control infrastructure not appropriate.	-12.5	86	86	5,028	0	0	0.2	0	0	0	0.03	0	\$ 2,000
Thornton Beach Road (carpark and boat ramp)	From existing speed hump north to the end of the carpark area	570m	50	30	Beach and boat ramp access	Stopping Place	Low Volume Beach Access Road. Speed control infrastructure not suitable for use with large volumes of trailers.	-6	9	9	349	0	0	0	0	0	0	0	0	\$ 2,000

Better Together Toitū te Kotahitanga



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

Site Statistics – Sites with general Consensus 2/2																	 WHAKATĀNE District Council <i>Kia Whakatāne au i ahau</i>				
Site Name	Location	Length	Speed limit		Role and function of road	ONRC Classification	Why speed limit change has been proposed and consideration alternative infrastructure investment	Estimated change in travel time/speed				Crashes per year (last five)				Expected reduction in crashes				Proposed Cost	
			Current	Proposed				speed (kph)	travel time (seconds, cars)	travel time (seconds, trucks)	total increase in time traveled (hours)	fatal	serious	minor	non-injury	fatal	serious	minor	non-injury		
West End Road	From Vills Glade to West End Car Park	970m	50	30	Beach, residential, and recreation area access	Activity Street	Low Volume Beach Access Road. Alternative speed control infrastructure outside of available budgets for extensive site.	-5	10	10	2,022	0	0	0.2	0	0	0	0.1	0	\$ 2,000	
Galatea Road - Waiohau		1970m	80	60	Rural Village main street and Marae access	Peri-Urban/Stopping Place	To make speed consistent with other rural villages where 60kph is the typical speed. Alternative speed control infrastructure outside of available budgets	-8	8	8	578	0	0	0	0.2	0	0	0	0	\$ 10,000	
Pukehou Road - Waiohau	Full extent of road	2900m	80	60	Residential and farm access	Peri-Urban	To make speed consistent with other rural villages where 60kph is the typical speed. Alternative speed control infrastructure outside of available budgets	-16	98	98	545	0	0	0	0	0	0	0	0	\$ 2,000	
Papanui Road - Waiohau	Full extent of road	1500m	80	60	Residential and farm access	Peri-Urban	To make speed consistent with other rural villages where 60kph is the typical speed. Alternative speed control infrastructure outside of available budgets	-16	90	90	439	0	0	0	0	0	0	0	0	\$ 2,000	
Galatea Road - Matahina Dam	Top of Matahina Dam	700m	100	60	Road over Dam. Rural connectio	Stopping place	Slower speed limit requested across the dam to protect workers and assets. Speed control infrastrucutre unable to be installed due to dam access to facilities.	-16	10	10	607	0	0	0	0	0	0	0	0	\$ 4,000	
Galatea Road - Matahina Dam eastern approach	From Matahina Dam to 750m north of Matahina Dam	750m	100	80	Dam Approach, Rural aterial roa	Rural Connector	Slower speed limit requested on approach to dam due to windy nature of roads. Speed control infrastructure inappropriate for rural site.	-8	5	5	191	0	0	0	0	0	0	0	0	\$ 4,000	
Rotaha Road - Matahina Dam eastern Approach	Full extent of road	700m	100	60	Car park and nboat ramp access. Quarry and forestry access	Stopping place	Car park and boat ramp are predominate uses on this road. Short length where speeds unlikely to exceed 60kph, speed control infrastructure not appropriate on gravel road.	15.8	6	5	41	0	0	0	0	0	0	0	0	\$ -	
Galatea Road - Matahina Dam western approach	From Matahina dam to 1000m west of Matahina Dam	1000m	100	80	Dam Approach, Rural aterial roa	Rural Connector	Slower speed limit requested on approach to dam due to windy nature of roads. Speed control infrastructure inappropriate for rural site.	-8	4	4	273	0	0	0.4	0.2	0	0	0.5	0.2	\$ 4,000	
Reid Road	From Awohou Road to 500m south of Awahou Road	500m	70	100	Approach to Ruatoki township	Rural Road	Legalising previously moved speed signs that have been in place for several years.	14.5	-4	0	534	0	0.2	0.2	0	0	-0.4	-0.5	0	\$ -	
Airport - Tassel Drive	560 m east of end of road	560m	60	30	Car Park access	Mix of Private and	Provide safer environment for airport users, inparticular for pedestriansaccessing carpark and other airport facilities.	-12	11	11	356	0	0	0	0	0	0	0	0	\$ 2,000	
																				Better Together Toitū te Kotahitanga	

8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

Site Statistics – Sites we are not sure about



WHAKATĀNE
District Council
Kia Whakatāne au i ahau

Site Name	Location	Length	Speed limit		Role and function of road	ONRC Classification	Why speed limit change has been proposed and consideration alternative infrastructure investment	Estimated change in travel time/speed				Crashes per year (last five)				Expected reduction in crashes				Proposed Cost
			Current	Proposed				speed (kph)	travel time (seconds, cars)	travel time (seconds, trucks)	total increase in time traveled (hours)	fatal	serious	minor	non-injury	fatal	serious	minor	non-injury	
Tāneatua Road	Full Extent	8250m	100	80		Rural Road	High number of serious injuries and fatalities. Too long to effectively control with speed control infrastructure and too costly to upgrade road to appropriate standard for 100kph road.	-7.9	35	31	12,084	0.6	0.4	1.2	3	0.3	0.3	1.4	3.7	\$ 10,000
Valley Road	Commerce Street to Taneatua Road (full extent)	2500m	70	50		Urban Connector	To provide consistency with other urban arterial roads in Whakatane and due to the high number of turning vehicles and adjacent land use.	-5	10	10	4,417	0	0.2	0.6	1.6	0	0	0.5	0.2	\$ 20,000
Ōhope Road	From Otawairere Road to Pohutukawa Ave	1300m	100 (temp 60)	80		Rural Connector	High number of crashes and steep gradient. Speed control infrastructure not appropriate at 80kph speed limit.	-5	6	6	3,081	0	0.8	1	3.4	0	0.5	0.6	2.7	\$ 20,000
Wainui Road	From 830m south of Tauwhare Pa Scenic Reserve to Whakatane District Boundary (Harrison Road).	8600m	100	80		Rural Connector	High number of serious injuries and fatalities, relatively narrow winding road. Too long to effectively control with speed control infrastructure	-7.8	35	25	12,450	0.2	0.2	1.8	4.2	0.1	0.2	2.1	5	\$ 5,000
Te Teko Road - Te Teko to Edgumbe	From Otaahu Road to Main Road	5800m	100	80		Rural Road	High number of serious injuries and fatalities, relatively narrow winding road. Too long to effectively control with speed control infrastructure	-7.8	23	17	30,246	0.4	0.4	0.4	2.2	0.2	0.3	0.5	2.6	\$ 5,000
Keepa Road	From SH30 to Bunyan Road	1950m	80	60		Peri-Urban	Land use change has resulted in increased traffic volumes and is impacting adjacent residents safe access to properties. Speed control infrastructure not appropriate at 80kph speed limit.	-5	9	9	4,173	0	0	0.4	0.4	0	0	0.4	0.4	\$ 30,000



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

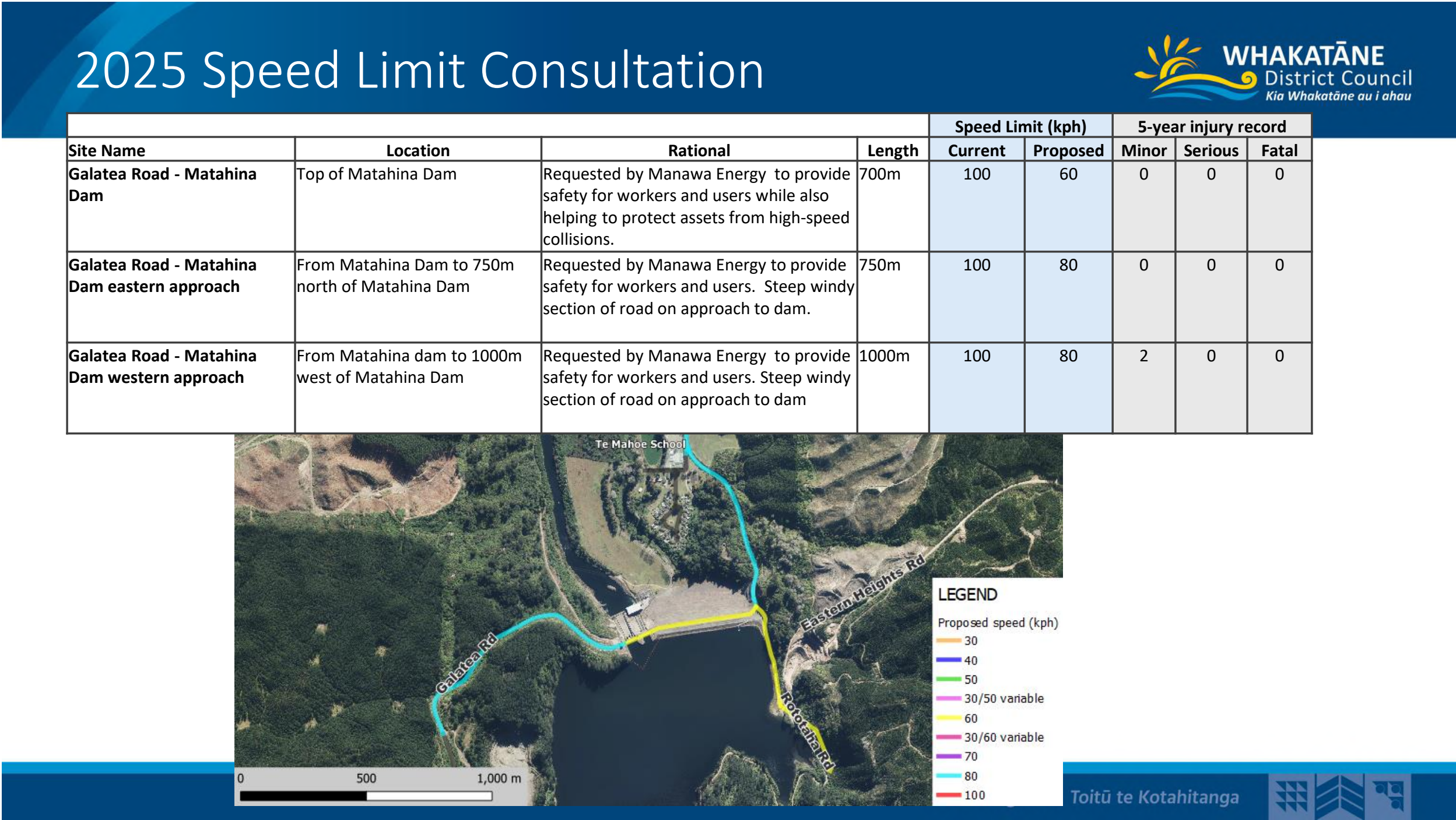
2025 Speed Limit Consultation



Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Withy Road	from 1050m west of Braemar Road	Requested by residents. Windy Road with limited visibility and part is unsealed	2500m	100	70	0	0	0




8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)




8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation



Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Thornton Road - East Bank and West Bank Intersections	Thornton Road, 250m west of West Bank Road to 250m east of East Bank Road	Requested by residents and Thornton School. Complex intersections with poor visibility and high usage that could result in significant crashes.	750m	100	70/80	2	0	0




LEGEND

Proposed speed (kph)

- 30
- 40
- 50
- 30/50 variable
- 60
- 30/60 variable
- 70
- 80
- 100

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8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

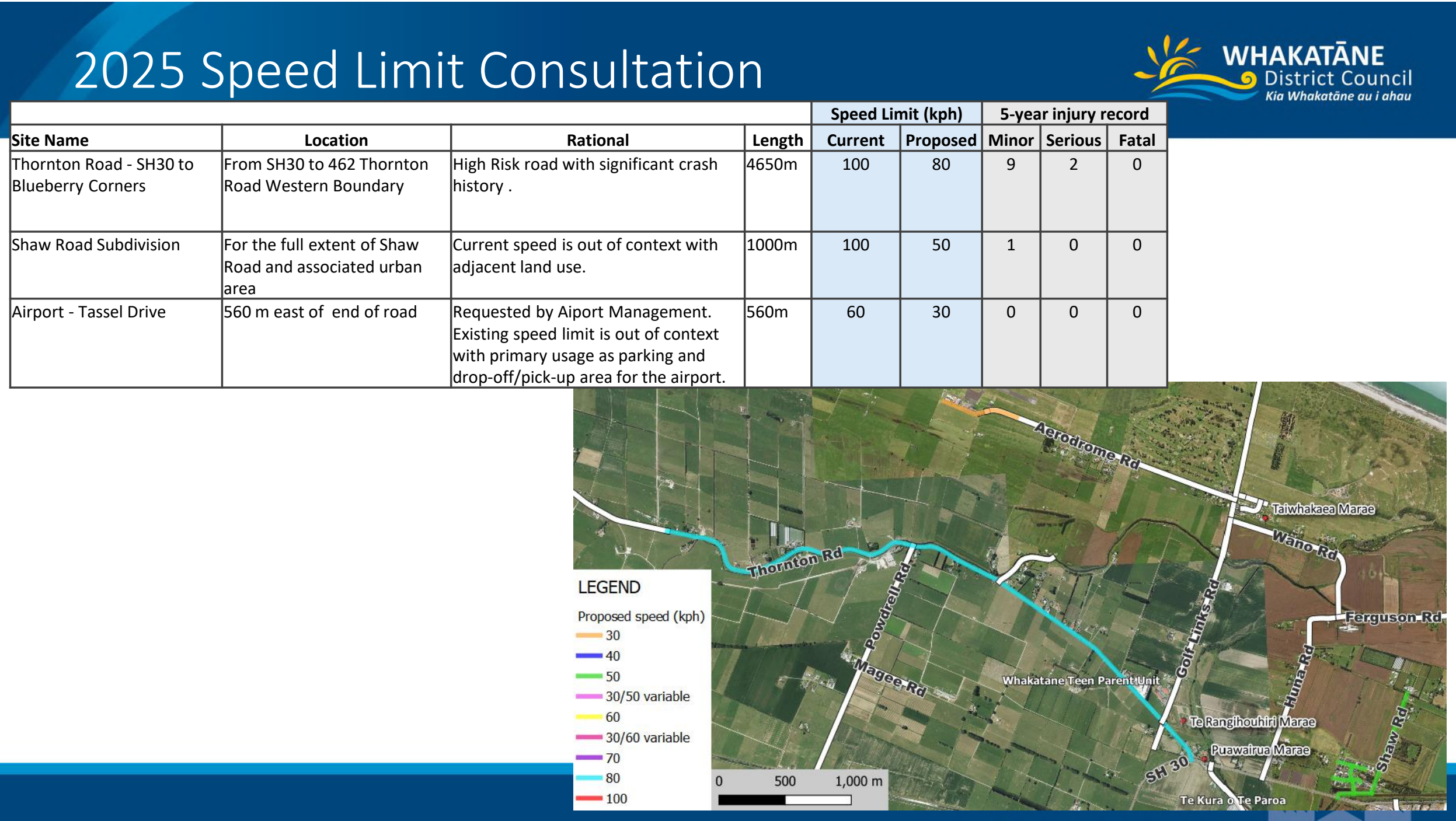
2025 Speed Limit Consultation



Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Thornton Beach Road (carpark and boat ramp)	From existing speed hump north to the end of the carpark area	Current speed is out of context with primary use as car park, boat ramp and access to beach.	570m	50	30	0	0	0




8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation




WHAKATĀNE

District Council

Kia Whakatāne au i ahau

				Speed Limit (kph)		5-year injury record		
Site Name	Location	Rational	Length	Current	Proposed	Minor	Serious	Fatal
Wainui Road - Tio Oyster	From Tauwhare Pa Scenic Reserve southern carpark exit heading south for 830m	Current speed is out of context with adjacent land use.	830m	temp 60	60	2	0	0




LEGEND

Proposed speed (kph)

- 30
- 40
- 50
- 30/50 variable
- 60
- 30/60 variable
- 70
- 80
- 100

0 500 1,000 m

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8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation



Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Galatea Road - Waiohau	Existing extent of 80kph zone	Provide consistency with other rural village speed limits	1970m	80	60	0	0	0
Pukehou Road - Waiohau	Full extent of road	Included as part of Waiohau, requires less signage	2900m	80	60	0	0	0
Papanui Road - Waiohau	Full extent of road	Included as part of Waiohau, requires less signage	1500m	80	60	0	0	0



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation



Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Reid Road – Ruatoki Approach	From Awahou Road to 500m south of Awahou Road	Legalising prior movement of speed limit signs	500m	70	100	1	1	0




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8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation



WHAKATĀNE
District Council
Kia Whakatāne au i ahau


Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
West End Road	From Vills Glade to West End Car Park	Current speed is out of context with usage as access and parking for the beach and reserve areas.	970m	50	30	1	0	0
Ōhope Road (uncertain)	From Ōtarawairere Road to Pohutukawa Ave	High Risk road with significant crash history .	1300m	100 (temp 60)	80	5	4	0



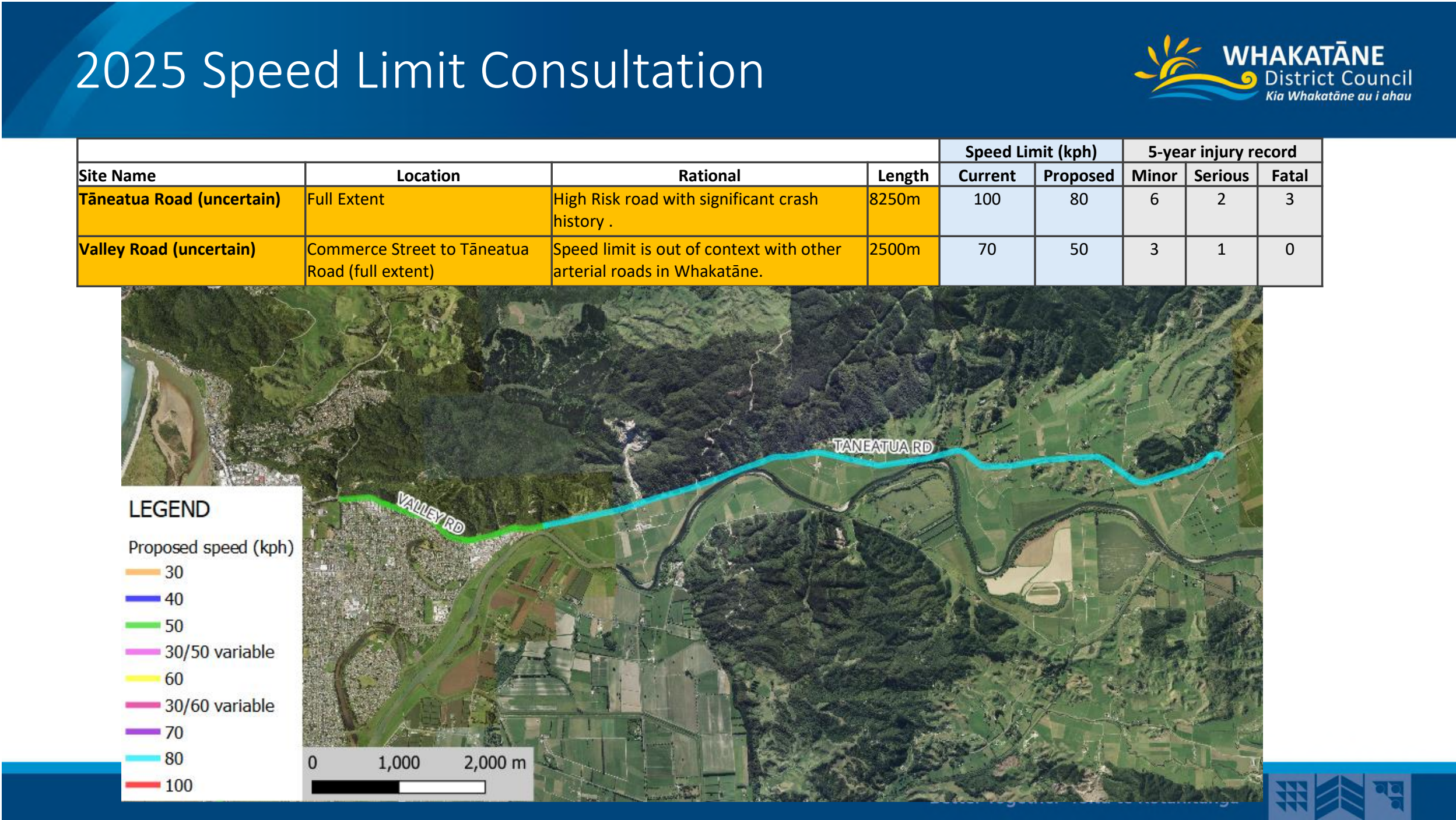
LEGEND
Proposed speed (kph)
30
40
50
30/50 variable
60
30/60 variable
70
80
100

0 500 1,000 m

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8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)



8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation




Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Te Teko Road - Te Teko to Edgecumbe (uncertain)	From Okaahu Road to Main Road	High Risk road with significant crash history .	5800km	100	80	2	2	2
Te Teko Road – Urban Adjustment	from Okaahu Road intersection south to existing 50kph area.	Current speed is out of context with adjacent land use.	325m	100	50	0	0	0



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8.5.2 Appendix B - Discretionary Speed Limit Changes for Consultation(Cont.)

2025 Speed Limit Consultation



WHAKATĀNE
District Council
Kia Whakatāne au i ahau

Site Name	Location	Rational	Length	Speed Limit (kph)		5-year injury record		
				Current	Proposed	Minor	Serious	Fatal
Keepa Road (uncertain)	From SH30 to Bunyan Road	Speed limit is out of context with other arterial roads in Whakatāne.	1950m	80	60	2	0	0

LEGEND

Proposed speed (kph)

30

40

50

30/50 variable

60

30/60 variable

70


80

100


0

300

600 m



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8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout**8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout**

To: Infrastructure and Planning Committee**Date: Thursday, 10 April 2025****Author: J Metcalfe / Team Leader Transport Strategy and Assets****Authoriser: D Bewley / GM Planning, Regulatory and Infrastructure****Reference: A2861271**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to provide the Infrastructure and Planning Committee with options to undertake associated improvements to the Arawa Road/Bridge Street roundabout, in conjunction with a planned renewal, and to seek a decision from the Committee on which option to progress.

2. Recommendations - *Tohutohu akiaki*

1. THAT the Infrastructure and Planning Committee **receives** the Arawa Road/Bridge Street Roundabout Options Assessment report; and
2. THAT the Infrastructure and Planning Committee **approve** Option 2, comprising rescoped, lower-cost improvements with the surfacing renewal of Arawa/Bridge Street Roundabout.

3. Background - *He tirohanga whakamuri*

The Arawa Road/Bridge Street roundabout surface is due for renewal. A project for associated improvements as part of the renewal, was included in the 2024/34 LTP with the expectation of obtaining 65% NZTA funding assistance for the improvement items. NZTA funding assistance was not approved for this project in the National Land Transport Plan (NLTP). Councillors were briefed on the funding decisions in November 2024 and indicated a desire to see options and associated costs for the improvement options.

4. Discussion – *Kōrerorero*

The roundabout surface is due for renewal and there are also a number of safety and drainage related deficiencies present. The initially proposed programme was to optimise the renewal investment by also improving these problem areas. With NZTA funding not available for the improvements, these will need alternative funding. Some improvement items will be able to be funded from their corresponding individual asset renewal budgets while some others will need to be funded using additional funding from our local share (ratepayer). The details of this are covered further on in the report.

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

Not undertaking any improvements now means the opportunity to coincide with renewal investment is lost for 15+ years (when the next renewal would be due). Delaying the renewal until improvement funding is available will see this pavement and surface deteriorate and increase maintenance costs in the interim.

The key areas that would be addressed through improvements include:

- Repairs and modifications to existing traffic islands which are currently allowing water ingress into the pavement, reducing its life.
- Also increasing the size of these traffic islands to provide protection for vulnerable road users crossing the road.
- Replacement of kerbs and additional catch pits to address inadequate road drainage which results in surface flooding and allows water ingress into the pavement.
- Providing guardrail or similar access protection, for workers required to carry out regular maintenance on a major wastewater pump station that is extremely close to the road edge.
- Reducing vehicle speeds on key approaches to reduce risk to road users and in particular young school children from the nearby schools.

The current roundabout has open traffic islands which is allowing water to ingress into the pavement and accelerate deterioration. The current drainage features around the roundabout (cesspits and kerb and channel) are in poor condition and are inadequate, resulting in water frequently ponding on the road surface during heavy rain events.

The roundabout is on our heavy vehicle bypass route and therefore has a high volume of heavy vehicle use. It is also located between the Awatapu residential area, Allandale and St Joseph's schools on King Street, as well as Trident High School on Arawa Road. It also connects road cycle lanes along Arawa Road, and the shared use path along Hinemoa Street, Awatapu Lagoon, and alongside the Wainui Te Whara stream. These connections produce a high number of pedestrians and cyclists, including a large proportion of school children. The current traffic islands are very narrow and do not provide a space in the centre of the road for vulnerable road users to wait when crossing.

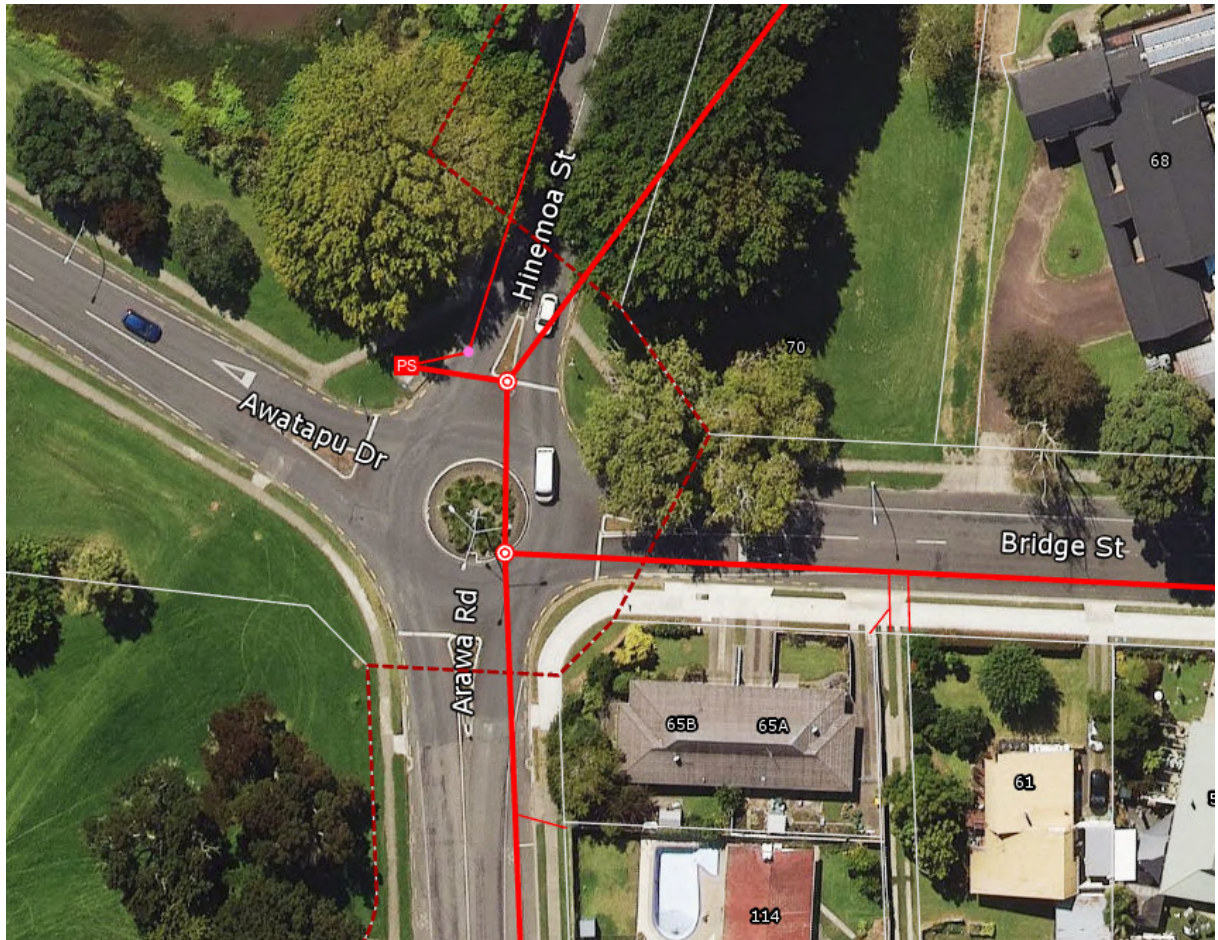


Figure 1 - Narrow islands on the roundabout approaches do not provide enough space for pedestrians to wait for gaps in traffic.

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

The current layout and inverse camber of the roundabout allows for high vehicle speeds when travelling through the roundabout. This creates significant safety risks for other road users and, in particular, for young children travelling to the many schools in the area.

There is also a key wastewater pumpstation (WWPS) located on the northwestern berm of the roundabout. The WWPS needs frequent access by staff for maintenance. The access is very close to the live traffic lane, posing a high and frequent health and safety risk for maintenance workers.

**5. Options Analysis - Ngā Kōwhiringa**

Staff have identified three potential options for this project: do minimum, progress rescoped lower-cost improvements with the renewal, or do the full original project scope.

5.1. Option 1: Do Minimum

This option includes the renewal of the existing roundabout surface with a 40mm AC layer, addressing the localised pavement failures, and concrete infill on all existing traffic islands, including the centre island. This option provides the lowest cost, do minimum approach whilst still providing for the surface renewal and reducing the amount of water entering the new surface, which will reduce the rate of deterioration.

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

Detailed financial information is covered in section 7.2 Financial/Budget Considerations. As a summary to inform the options analysis, the cost of this option is \$188,000. The full cost of this option can be covered within exiting maintenance and renewal budgets.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Low cost. • Funded within existing budgets. • Renews the surface and addresses pavement failures. • Addresses one small portion of the drainage deficiencies. 	<ul style="list-style-type: none"> • Does not address any of the safety issues for pedestrians, cyclists, including a high portion of school children. • Does not address any of the safety issues for water maintenance team. • Does not address drainage issues regarding the poor condition of kerbs, channels and inadequate cesspits.

5.2. Option 2 – Include rescoped, lower-cost Improvements (Recommended option)

This option would include:

- The renewal of the existing roundabout surface with a 40mm AC layer.
- Concrete infill on all traffic islands on approach and centre roundabout island.
- Rehabilitation of pavement failures.
- Upgrade of the inadequate drainage structures (kerbs and cesspits).
- Installation of guardrail around the WWPS.
- Construction of two raised pedestrian platforms, using asphaltic concrete (AC), across the two key connections; Arawa Road and Awatapu Drive.

This option provides a ‘no-frills’ approach to addressing many of the key deficiencies in the current roundabout. It achieves most of the outcomes desired through the original project, but on a lesser scale.

Detailed financial information is covered in section 7.2 Financial/Budget Considerations. As a summary to inform the options analysis, the cost of the option is \$360,500. Of which \$260,500 can be funded from existing renewal and maintenance budgets, which attracts a subsidy from NZTA. \$100,000 relates to improvement items that will need to be funded from our local share only.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Renews the road surface. • Addresses pavement failures. • Addresses all the drainage deficiencies. • Addresses the key WWPS access safety issues. • Provides improved pedestrian and cycle crossing facilities. 	<ul style="list-style-type: none"> • Doesn't provide the full scale of improvements that was planned in the original project.

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

Advantages	Disadvantages
<ul style="list-style-type: none"> Partially reduces through speeds at the roundabout, improving safety for all road users. Provides some additional work for the local contractor market. Able to be designed in-house as the scope does not require detailed design, further reducing costs. Ability to do work through the off/shoulder season due to no design delays and scope of work enables this (concrete and AC etc). 	

5.3. Option 3 Do Full Scope of Original Project

This option would include all items from Option 2 with the addition of:

- Two additional raised pedestrian crossings, resulting in improved crossing facilities on all legs of the roundabout.
- The provision of 2.5m wide shared use paths on approach to all crossings, linking with current and future active mode connections.
- Reverses the current camber of the roundabout to fall outwards. The current roundabout camber is inverted which is less desirable for surface drainage and also allows for higher vehicle speeds. Reversing the camber requires additional drainage structures to be installed and also impacts on the current centre island streetlights.
- Structural improvements to the underlying road pavement, allowing for 100mm AC overlay, as opposed to the standard 40mm surface renewal.

Detailed financial information is covered in section 7.2 Financial/Budget Considerations. As a summary to inform the options analysis, the cost of this option is \$750,000. Of which \$465,000 can be funded from existing maintenance and renewal budgets, and \$285,000 will have to be fully funded from local share.

Advantages	Disadvantages
<ul style="list-style-type: none"> Renews the road surface. Upgrades the underlying pavement. Addresses all the drainage deficiencies and improves surface water runoff through changing the camber. Addresses the key WWPS access safety issues. Fully improves pedestrian and cycle crossing and connection facilities. 	<ul style="list-style-type: none"> High construction and design costs. Significant additional local share required, outside of existing budgets. Longer lead in time due to design requirements. Higher disruption for road users during the work due to larger scope.

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

Advantages	Disadvantages
<ul style="list-style-type: none"> • Further reduces through speeds at the roundabout to an appropriate level, improving safety for all road users. • Provides design work for consultants when the current market is relatively scarce. • Provides substantial physical works for the contractor market. • Longer life pavement and raised platforms. 	

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko**6.1. Assessment of Significance**

Options 1 and 2 in this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy. These two options are in line with what was included in the LTP for this project which has been previously consulted on.

Option 3 however is assessed to be of moderate significance as detailed in the table below:

Significance Criteria	Comments	Impact Assessment
Level of community interest: Expected level of community interest, opposition or controversy involved.	<ul style="list-style-type: none"> • Community interest would be related to financial/rate impact 	<ul style="list-style-type: none"> • Moderate
Level of impact on current and future wellbeing: Expected level of adverse impact on the current and future wellbeing of our communities or District.	<ul style="list-style-type: none"> • This option would improve current and future well being 	<ul style="list-style-type: none"> • Low
Rating impact: Expected costs to the community, or sectors of the community, in terms of rates.	<ul style="list-style-type: none"> • High rating impact as additional local share required is not included in the LTP 	<ul style="list-style-type: none"> • High
Financial impact: Expected financial impact on the Council, including on budgets, reserves, debt levels, overall rates, and limits in the Financial Strategy.	<ul style="list-style-type: none"> • High rating impact as additional local share required is not included in the LTP 	<ul style="list-style-type: none"> • High

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

Significance Criteria	Comments	Impact Assessment
Consistency: Extent to which a proposal or decision is consistent with the Council's strategic direction, policies and significant decisions already made.	<ul style="list-style-type: none"> Option 3 is inconsistent to the approach taken with the majority of transport improvement projects that were paused as a result of not obtaining NZTA subsidy. 	<ul style="list-style-type: none"> Moderate
Reversibility: Expected level of difficulty to reverse the proposal or decision, once committed to.	<ul style="list-style-type: none"> Once done, can't be reversed 	<ul style="list-style-type: none"> Moderate
Impact on levels of service: Expected degree to which the Council's levels of service will be impacted.	<ul style="list-style-type: none"> This option would improve levels of service 	<ul style="list-style-type: none"> Low
Impact on strategic assets: Expected impact on the performance or intended performance of the Council's Strategic Assets, for the purpose for which they are held.	<ul style="list-style-type: none"> This option would improve strategic assets 	<ul style="list-style-type: none"> Low

6.2. Engagement and Community Views

Engagement on this matter is not being undertaken in accordance with Section 6.0 of the Council's Significance and Engagement Policy. This states that the Council will not consult when the matter has already been addressed by the Council's policies or plans, which have previously been consulted on (LTP).

7. Considerations - *Whai Whakaaro***7.1. Strategic Alignment**

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

7.2. Financial/Budget Considerations

The table below provides a summary of the costs for each option:

	Total Option Cost	Funded from Existing Subsidised budgets	Must be fully funded form local share
Option 1 – Do minimum	\$188,000	\$188,000	\$0

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

	Total Option Cost	Funded from Existing Subsidised budgets	Must be fully funded form local share
Option 2 - Include rescoped, lower-cost Improvements	\$360,500	\$260,500	\$100,000
Option 3 – Original Project Scope	\$750,000	\$465,000	\$255,000

Because the full-scale original project did not receive the expected funding assistance, staff have reviewed the project components to identified parts of the project that qualify for NZTA subsidy. These amounts are identified above; however it must be noted, these amounts will come from the existing relevant maintenance and renewal budgets. They will not be additional NZTA funding. Utilising them for the purposes of this project provides the benefit that these identified maintenance and renewal activities can be undertaken and receive NZTA subsidy. However, that comes with the disbenefit that it reduces the remaining budget available for other identified maintenance and renewal activities that would have been able to occur if the original project received the full subsidy.

The original project in the LTP was for \$750,000, of which \$262,500 was from local share and \$487,500 was expected to be from NZTA subsidy. The local share component is currently held pending this decision by the Committee on whether to proceed with the project or not, and if proceeding to determine the option to proceed.

If proceeding with the recommended Option 2 – include rescoped, lower-cost improvements with the renewal, the components of the project that must be fully funded from local share, fit within the currently held amount of local share from the original project; \$100,000 needed, \$262,500 held. The balance local share can be released.

If proceeding with Option 1 – do minimum, the project cost is fully funded from existing maintenance and renewal budgets and the full local share held (\$262,500) can be released.

If proceeding with Option 3 – original project scope, the components of the project that must be fully funded from local share, fit within the currently held amount of local share from the original project; \$255,000 needed, \$262,500 held. The balance local share can be released. But the impact on existing maintenance and renewal budgets is far more significant, meaning less drainage and pavement renewals can be completed elsewhere on the network.

7.3. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.4. Risks

The following risks have been identified for the matters covered in this report:

Risk	Description and/or Mitigation
Public discontent.	Due to the significant reduction in NZTA funding received, most other roading improvement projects have been put on hold until at least the

8.6 Options Assessment Report – Arawa Road / Bridge Street Roundabout(Cont.)

Risk	Description and/or Mitigation
	<p>2027 LTP period. There is a risk that that the public impacted by paused projects are unhappy to see the full scope of this project progress ahead of others.</p> <p>On the other hand, progressing with the recommended option 2 mitigates this risk by providing 'no frills' improvements, whilst optimising the renewal investment that is needed.</p>
Project scope redefined.	<p>The broader scope of the original project was proposed to mitigate a number of issues. In rescoping the project, judgement has been exercised to achieve the best outcome on a limited budget rather than deliver the optimum solution.</p>

Attached to this Report:

- There are no appendices attached to this report.

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings**8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings**

To: **Infrastructure and Planning Committee**

Date: **Thursday, 10 April 2025**

Author: **J Metcalfe / Team Leader Transport Strategy and Assets**

Authoriser: **D Bewley / GM Planning, Regulatory and Infrastructure**

Reference: **A2858969**

1. Reason for the report - *Te Take mō tēnei rīpoata*

The purpose of this report is to seek a decision from the Committee on options to construct safe pedestrian crossing facilities on Goulstone Road adjacent to Whakatāne High School (WHS), and near the Valley Road roundabout.

2. Recommendations - *Tohutohu akiaki*

1. THAT the Infrastructure and Planning Committee **receives** the Goulstone Road Raised Pedestrian Crossings Options Assessment Report; and
2. THAT the Infrastructure and Planning Committee **approves** Option 2: Do Minimum – Construct Whakatāne High School Asphalt Platform Only.

3. Background - *He tirohanga whakamuri*

This project was included in Council's Long-Term Plan under the expectation that it would receive NZTA subsidy. During a briefing session with Councillors in October 2024 where the implications of the shortfall in NZTA subsidy were discussed, it was requested by Councillors that staff provide an options report to the Infrastructure and Planning Committee to determine the scope of works to proceed for this particular project.

The intent of the project is to create safe crossing points on Goulstone Road for the Whakatāne High School which has facilities on both sides of the road, and to create a link between Rex Morpeth Park and the shared use path on Gorge Road.

A safe link is required for pedestrians, cyclists and other users that access the shared use path on Gorge Road, Rex Morpeth Park and for those travelling along Goulstone Road.

The main high school campus is located on one side of Goulstone Road, with the school's hockey fields and horticulture facilities on the opposite side. A safe crossing facility will better allow for the regular access required of pupils and staff, during and after school hours.

Goulstone Road is a main collector road to Kopeopeo, with larger vehicles using it for deliveries to businesses. It will be beneficial to create two easily traversable pedestrian platform crossings, to lower vehicle speeds within the area, and to improve visibility of students and staff when crossing between parked cars on each side of the road.

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)

The Active Whakatāne strategy identified three key pillars to encourage more active transport and support the safety of active transport users. The development of these crossing points is supported by the “Safe Ways to School” pillar and consistent with this Council strategy.

Whakatāne High School staff have been consulted on the location and design of the school crossing and are supportive of the proposal. In addition to the crossing, a pick-up drop-off zone has also been requested in place of the loading zone at the school entrance. The placement of the crossing will result in the loss of four carparks near the school entrance.



Figure 1 – Artist's interpretation of the proposed raised crossing at Whakatāne High School

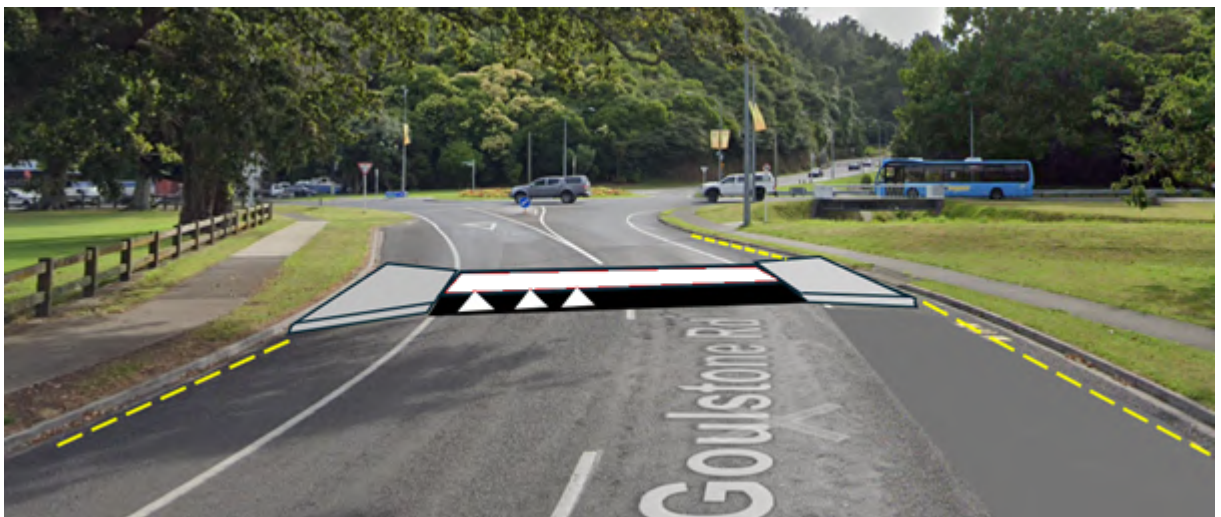


Figure 2 - Artist's interpretation of the proposed raised crossing on Goulstone Road near Gorge Road

4. Discussion – Kōrerorero

Under the current Government Policy Statement for Transport (GPS) there is no co-funding available for the delivery of active transport or safety improvements within the district. Given this is the case, investments in pedestrian crossings places are an increased cost on rate payers compared with co-funded projects, with 63% of the cost normally being met by co-funding. While all capital investment decisions are scrutinised, the lack of co-funding means staff are placing extra emphasis on getting the most from upfront investment by delivering lower cost, potentially shorted lived assets or deferring

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)

investment where possible. There are trade-offs to this approach, which are discussed further within the Option analysis. Staff are seeking direction from the Committee to ensure the right balance is struck for this particular project.

There have been a number of requests received throughout the district for similar new or improved pedestrian crossing facilities. Staff are continuing to prioritise these works for future investment. The need for these improvements is compounded by recent changes in pedestrian design guidance which no longer supports the use of at level red courtesy crossings. These must now include raised platforms or be in low-speed environments (30kph or less).

We have a number of requests for speed control infrastructure to be installed around many Whakatāne urban streets, of which all are also used by school children to walk/bike/scooter to schools. These include James Street, Bridge Street, Churchill Street and McGarvey Road.

With central government no longer supporting investment in these facilities through the National Land Transport Fund (NLTF), any further investment in this area will need to come directly from local share or be deferred until a new Government Policy Statement for transport is produced; potentially reinstating funding allocations in this area. Beyond the crossings identified in this report, and those incorporated within the upgrade of the Arawa Road/Bridge Street roundabout rehabilitation work, there are no plans, nor budget, to install or improve any further crossings within the current 2024-27 funding period.

5. Options Analysis - *Ngā Kōwhiringa*

Four options have been presented below detailing their associated costs, method of funding, and other advantages/disadvantages. These options consider deferring the work, only completing some of it now, and/or utilising different construction materials.

5.1. Option 1: Do Nothing

This option defers any work until at least the next LTP period (2027 and beyond).

Advantages	Disadvantages
<ul style="list-style-type: none"> No cost. Consistent with approach used on most other improvement projects that have not received the expected NZTA co-funding. 	<ul style="list-style-type: none"> Does not address safety issues at Whakatāne High School or Gorge Road/Goulstone Road crossing points.

5.2. Option 2: Do Minimum – WHS Asphalt Platform Only (Recommended option)

This option would include the construction of a crossing point outside the Whakatāne High School, and the other crossing near Valley Road to be deferred. The constructed crossing would be a raised platform, made from asphaltic concrete, with kerbed islands along the parking bays to minimise the impact of kerb and channel drainage. This will create a refuge bay for pedestrians to safely wait and be visible, until it is safe to cross. This option has an estimated cost of \$85,000 including contingency.

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)

Advantages	Disadvantages
<ul style="list-style-type: none"> • Low cost (\$85,000). • Is funded within existing budgets, utilising the minor local share retained. • Provides improved crossing facilities for the Whakatāne High School. • Reduces through speeds at the Whakatāne High School, improving safety for all road users. • Relatively minimal disruption to traffic, single lane closures only. Bulk of works on live lanes completed in a single day. 	<ul style="list-style-type: none"> • Does not address safety issues at Gorge Road/Goulstone Road crossing point. • Shorter crossing life when compared to concrete platform, (15 years vs 40 years). • Minor increase in vehicle travel times. • Loss of four parking spaces.

5.3. Option 3 Construct Both Crossings in Asphalt

Same as Option 2, but also includes constructing now, the crossing near the Valley Road roundabout. This Option has an estimated cost of \$158,000.00, including contingency

In addition to improvements at Whakatāne High School, this option will also allow for slower traffic from Gorge Road into Valley Road, creating safe pedestrian links to Rex Morpeth Park, the Whakatāne CBD and other areas around the Aquatic Centre.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Can be funded within existing budgets, utilising the minor local share retained – BUT leaves negligible budget for other minor safety and access reactive works requested in the remainder of the 2024-27 period. • Provides improved pedestrian and cycle crossing facilities at WHS and connecting to Gorge Road. • Reduces through speeds at the Whakatāne High School, improving safety for all road users. • Reduces approach speeds to the Goulstone Road/Valley Road roundabout, improving safety for all road users. • Relatively minimal disruption to traffic, single lane closures only. Bulk of works on live lanes completed in a single day. 	<ul style="list-style-type: none"> • Moderate cost (\$158,000) and leaves negligible budget for other minor safety and access reactive works requested in the remainder of the 2024-27 period. • Shorter crossing life when compared to concrete platform, (15 years vs 40 years). • Minor increase in vehicle travel times. • Loss of four parking spaces.

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)**5.4. Option 4 Construct Both Crossings in Concrete**

This option is similar to Option 3, but construction is changed from asphalt to concrete, to extend the life of the asset. This option has an estimated cost of \$320,000, including contingency

Advantages	Disadvantages
<ul style="list-style-type: none"> • Longer crossing life when compared to Asphalt platform, (40 years vs 15 years). • Provides improved pedestrian and cycle crossing facilities at WHS and connecting to Gorge Road. • Reduces through speeds at the Whakatāne High School, improving safety for all road users. • Reduces approach speeds to the Goulstone Road/Valley Road roundabout, improving safety for all road users. 	<ul style="list-style-type: none"> • High cost (\$320,000) exceeding existing budgets. • Minor increase in vehicle travel times. • Significant disruption during construction (minimum 7-day road closure). • Loss of four parking spaces.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko**6.1. Assessment of Significance**

The preferred option is determined to be of low significance, in accordance with the Council's Significance and Engagement Policy.

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)

Significance Criteria	Comments	Impact Assessment
Level of community interest: Expected level of community interest, opposition or controversy involved.	Some community interest. The project is consistent with Active Whakatāne strategy that has been consulted. WHS as key stakeholder has been consulted and is supportive. There could be controversy involved due to the large number of other projects that have been deferred.	Low
Level of impact on current and future wellbeing: Expected level of adverse impact on the current and future wellbeing of our communities or District.	This option would improve current and future well being	Low
Rating impact: Expected costs to the community, or sectors of the community, in terms of rates.	Low rating impact as no additional local share will be required for the recommended option.	Low
Financial impact: Expected financial impact on the Council, including on budgets, reserves, debt levels, overall rates, and limits in the Financial Strategy.	No impacts for preferred option	Low
Consistency: Extent to which a proposal or decision is consistent with the Council's strategic direction, policies and significant decisions already made.	Consistent with Active Whakatāne Strategy and LTP funding decisions	Low, is consistent
Impact on levels of service: Expected degree to which the Council's levels of service will be impacted.	This option would improve levels of service	Low
Impact on strategic assets: Expected impact on the performance or intended performance of the Council's Strategic Assets, for the purpose for which they are held.	In line with accepted road usage, low impact on ongoing maintenance costs	Low

6.2. Engagement and Community Views

If proceeding with the recommended option, public engagement on this matter will not be undertaken. This is consistent with Section 6.0 of the Council's Significance and Engagement Policy. This states that the Council will not consult when the matter has already been addressed by the Council's policies or plans, which have previously been consulted on (LTP, Active Whakatāne Strategy). Direct consultation has occurred with Whakatāne High School.

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)**7. Considerations - *Whai Whakaaro*****7.1. Strategic Alignment**

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

7.2. Financial/Budget Considerations

The original Goulstone Road crossing project budget was \$251,000 of which \$87,850 was to be local share funded and \$163,150 was expected to be funded from NZTA subsidy. When we did not receive the NZTA subsidy for this project, the local share was held, until such time as Councillors made this decision on whether to proceed or not, and the scope if proceeding.

The recommended Option 2 – Do minimum construct 1x AC speed hump, falls within the original local share that is budgeted for this project.

If Option 1 – Do nothing is to progress, the local share that has been held until this decision, can be released, having a minor positive rating impact.

If Option 3 or 4 construct both crossings in AC or Concrete is to progress, the costs will exceed the currently budgeted local share. Additional local share will need to be sought, having a negative rating impact.

7.3. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.4. Risks

The following risks have been identified for the matters covered in this report:

Risk	Description and/or Mitigation
Public discontent.	<p>There are a significant number of requests from public for new crossing facilities, improvements to existing crossings and traffic calming devices. At the time of developing the LTP this Goulstone Road crossing was the next priority to deliver. Due to the significant reduction in NZTA funding received and the need to put all other roading improvements on hold, there is a risk that that the public impacted by paused projects are unhappy to see this one progress ahead of others.</p> <p>On the other hand, this particular crossing has been on the cards for a number of years, was the next in line of priority, so further delays will also cause discontent for the Whakatāne High School Community that will use it.</p>

8.7 Options Assessment Report - Goulstone Road Raised Pedestrian Crossings(Cont.)

Risk	Description and/or Mitigation
Reduction in car parks	Progressing the crossing will result in the loss of four car parks which are in high demand in this area. The major demand is generated by the High School who has requested the crossing to be installed.

Attached to this Report:

- There are no appendices attached to this report.

8.8 Submission on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill**8.8 Submission on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill**

To: **Infrastructure and Planning Committee**

Date: **Thursday, 10 April 2025**

Author: **H Keravel / Senior Strategic Policy Analyst**

Authoriser: **L Woolsey / General Manager Strategy and Growth**

Reference: **A2863219**

1. Reason for the report - Te Take mō tēnei rīpoata

The purpose of this report is to seek Council approval for a submission from the Whakatāne District Council to the Justice Committee on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill.

2. Recommendation/s - Tohutohu akiaki

1. THAT the Infrastructure and Planning Committee **receive** the Submission on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill report; and
2. THAT the Infrastructure and Planning Committee **approves** the submission from Whakatāne District Council to the Justice Committee, as attached to this report (Option 1); and
3. THAT The Mayor and Chief-Executive be **delegated authority** to finalise and approve Council's submission on the bill should further changes be required.

3. Background - He tirohanga whakamuri

This bill would create an option to extend the Parliamentary term to four years at the start of each term in specified circumstances. The Bill will only take effect if New Zealanders vote for a 4-year term in a referendum.

The term could be extended to four years only if the overall membership of Parliament's subject select committees was proportional to the party membership in the House of Representatives of the non-executive members. (Any Member of Parliament that is not a Minister, Associate Minister, or Under-Secretary).

This would mean that the opposition would have greater representation on select committees than if the membership were determined by the total membership of the House. The intention would be to ensure that a longer term of Parliament has improved checks and balances on the Government via the subject select committees.

Each time a new government was elected it would decide whether to keep a 3-year term or have a 4-year term with the select committee changes.

8.8 Submission on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill(Cont.)

This is a Government Bill awaiting a first reading. The three Government parties have committed only to support the Bill to Select Committee at this point.

3.1. LGNZ and Taituarā position on the legislation amendment bill

Both Taituarā and LGNZ are advocating for a move to a four-year term for Local Government.

The LGNZ position paper on local electoral reform is detailed in its [LGNZ ERWG draft position paper.pdf](#) and can be summarised as follows

“Local Government and Central Government should move to four-year electoral terms, and the upcoming referendum should cover both. Such a significant constitutional change should be decided by electors”. “Local Government and Central Government should move to a four-year term with elections spaced two years apart”

LGNZ is also proposing that Local Government legislation should be amended as part of a transition to four-year terms to move key planning, accountability, and representation processes from a three-year cycle to a four-year cycle. These include the Long-term Plan, Regional Land Transport Plans, Regional Public Transport Plans, and Representation Reviews.

The Taituarā draft submissions on this bill is summarised in two key points:

1. Strongly recommend to Parliament that any extension of the Parliamentary term to four years, be accompanied by an extension of the term of local authorities.
2. Make Parliament aware of the implications moving to a four-year term would have for local authorities, both in general and in the case where the term of office is variable.

Taituarā is also recommending that all the provisions tying the Parliamentary term to the proportionality of Select Committees be deleted from the Bill. This is intended to provide for a simple yes or no referendum on a four-year term.

4. Discussion – Kōrerorero

The draft submission is attached to this report for Council final review and approval. Finalisation of the submission could accommodate any further changes as required. Due to the tight timeframes, delegation is sought for the Mayor and Chief Executive to finalise the submission if agreed by Council. Submissions close 17 April 2025 at 1 pm.

Whilst the bill is looking at the term of national government, it presents an opportunity for Council to advocate for a move to a four-year term for both Central and Local Government.

The WDC draft submission attached to this report is supporting a move to a four-year parliamentary cycle and recommending extending this four-year cycle to Local Government and to consider the broader implications for Local Government including implication on key planning and accountability processes.

5. Options Analysis - Ngā Kōwhiringa

There are three options described below:

8.8 Submission on the Term of Parliament (Enabling 4-Year Term) Legislation Amendment Bill(Cont.)**5.1. Option 1 - Approve appendix 1 as the submission to the Justice Committee subject to minor changes approved by delegated authority - Recommended option**

Advantages	Disadvantage
<ul style="list-style-type: none"> • Council advocate for the change to the terms of elections to Local Government as the opportunity arises • Aligns with Taituarā and LGNZ position on the bill • Meet timeframes for submission 	<ul style="list-style-type: none"> • No disadvantage has been identified

5.2. Option 2 Approve an amended submission following further full Council discussion and/or feedback

Advantage	Disadvantage
<ul style="list-style-type: none"> • Provides opportunity to add further input from Council 	<ul style="list-style-type: none"> • Requires additional meeting to be scheduled in an already tight timeframe to finalise and approve the submission

5.3. Option 3 Do not make a submission to the Justice Committee.

Advantage	Disadvantage
<ul style="list-style-type: none"> • No advantage has been identified 	<ul style="list-style-type: none"> • Missed opportunity to advocate for the change to the terms of elections to Central Government as the opportunity arises.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko**6.1. Assessment of Significance**

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

6.2. Engagement and Community Views

Engagement on this matter is not being undertaken in accordance with Section 6.0 of the Council's Significance and Engagement Policy. This states that the Council will not consult when the matter is not of a nature or significance that requires public engagement (low significance).

Members of the public have the opportunity to submit their views directly on the New Zealand Parliament website.

8.8.1 Appendix A - Submission on the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill**7. Considerations - *Whai Whakaaro*****7.1. Strategic Alignment.**

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report.

7.2. Legal

There is no legal considerations associated with the recommendations of this report.

7.3. Financial/Budget Considerations

There is no budget considerations associated with the recommendations of this report.

7.4. Climate Change Assessment

There are no significant or notable impacts associated with the matters of this report.

7.5. Risks

There are no significant or notable risks associated with the matters of this report.

8. Next Steps – E whai ake nei

If approved, staff will send the submission by 1 pm ,17 April 2025, to meet the submission deadline.

Attached to this Report:

- Appendix A - Submission on the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill
- Appendix B - Cover letter of the submission

8.8.1 Appendix A - Submission on the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill

Infrastructure and Planning Committee - AGENDA

8.8.1 Appendix A - Submission on the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill(Cont.)**Whakatāne District Council Submission - Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill****Overall support to move towards a four-year parliamentary term**

1. The move to a four-year term would be beneficial as it would promote political stability by providing a stable period for governments to function without the constant looming threat of an election helping to govern more effectively. With the right conditions in place, the four-year term would enable to strike the balance between stability and accountability as it would offer enough time for a government to implement its policies and reforms while also ensuring it remains accountable to the electorate.
2. The four-year term would also encourage policy continuity and long-term planning. Governments would have more time to build upon their policies and strategies, leading to a greater sense of continuity.
3. A four-year term move would require broad support from both the community and across parliament.

The Bill is providing uncertainty on the length of the parliamentary term

4. The four-year term proposed is currently optional and linked to select committee membership. Each time a new government is elected it would decide whether to keep a 3-year term or have a 4-year term with the select committee changes. This could create uncertainty as many public sector process and policy settings are based on 3 years review. A four-year term without conditions would provide more clarity.
5. A more predictable electoral cycle could result in greater electoral participation.

Recommendation that any extension of the parliamentary term would be extended to Local Government authorities, local boards, and community boards.

6. The reasons to move to a four-year term for Local Government are similar to those justifying a move to a parliamentary term. (Political stability, policy continuity and long-term planning).
7. Additionally, New Zealand's three-year term for Local Government is short by international standards.
8. Different term lengths between local and central government would mean key events and processes (e.g. planning and budgeting cycles, and elections) would align differently every term. This makes it highly desirable that if Central Government moves to a four-year term, Local Government does too. If both parliament and Local Government don't make this change in parallel, then their elections would be out of sync.
9. Local Government and Central Government should move to four-year electoral terms, and the upcoming referendum should cover both.

Infrastructure and Planning Committee - AGENDA

8.8.1 Appendix A - Submission on the Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill(Cont.)

Recommendation to consider planning implications for territorial authorities

10. The shift to a four-year term would have broader implications for territorial authorities that need to be taken into consideration.
11. Local Government legislation should be amended as part of a transition to four-year terms to move key planning, accountability, and representation processes from a three-year cycle to a four-year cycle. These include for example Long-term Plans and Representation Reviews.

8.8.2 Appendix B - Cover letter of the submission

8.8.2 Appendix B - Cover letter of the submission

8.8.2 Appendix B - Cover letter of the submission(Cont.)

17 April 2025

Justice Committee
Parliament Buildings
Wellington
[Via email: ju@parliament.govt.nz]

Tēnā koe,

WHAKATĀNE DISTRICT COUNCIL SUBMISSION TO THE TERM OF PARLIAMENT (ENABLING 4-YEAR TERM) LEGISLATION AMENDMENT BILL

Thank you for the opportunity to submit to Term of Parliament (Enabling 4-year Term) Legislation Amendment Bill.

The Whakatāne District Council (WDC) wishes to make the submission points outlined on the following pages.

We believe that Central and Local Government should continue to work closely and collaboratively to leverage and share our respective strengths and maximise the impact we are able to have for our communities.

We recommend that both Central and Local Government move to a four-year electoral term and that the upcoming referendum should cover both.

We also recommend considering the key implications of a shift to a four-year term for Local Government including on its key planning and accountability processes for example Long Term Plans.

For enquiries related to the submission please contact Harvey Kavel, Senior Strategic Policy Analyst at Whakatāne District Council - p.07 306 0231 or harvey.kavel@whakatane.govt.nz

Nāku noa nā

Dr Victor Luca
Mayor - Koromatua

OBJECTIVE: DATE: REF:

8.9 Capex Delivery Update Report – April 2025**8.9 Capex Delivery Update Report – April 2025****To: Infrastructure and Planning Committee Meeting****Date: Thursday, 10 April 2025****Author: J Finlay / Manager Three Waters****A Reynolds / Manager Transportation****Authoriser: D Bewley / GM Planning, Regulatory and Infrastructure****Reference: A2857931****1. Reason for the report - *Te Take mō tēnei rīpoata***

This report updates and informs the Infrastructure and Planning Committee on the delivery of the capital works programme for the Three Waters and Transportation Activities for the 2024/25 financial year, highlighting any key updates, issues or risks with future delivery.

2. Recommendation/s - *Tohutohu akiaki*

THAT the Capex Delivery Update Report – April 2025 be **received**.

3. Background - *He tirohanga whakamuri*

Council's Long term Plan and Business Plan outline the capital projects to be delivered this financial year. This report provides an update on the delivery of all capital projects and highlights any key project updates.

4. Discussion – Kōrerorero**4.1. Transportation****4.1.1. General Capital Works Summary**

There has been good progress made with delivering projects this financial year, with the majority on track or ahead of schedule. The good weather has seen the rehabilitation and resealing programmes progress very well, with all planned works being completed in the coming weeks. The disadvantage of this year's programme has been that several arterial routes were resealed in quick succession, leading to some adverse comments about driver inconvenience and/or dust nuisance.

The total planned capital programme in the LTP was reduced by NZTA funding changes, with the Council making amendments as a result. This has led to some intended programmes being reduced to the local share (ratepayer) contribution only or being deferred to at least 2027.

8.9 Capex Delivery Update Report – April 2025(Cont.)**4.1.2. Seal Extensions**

Through the development of the 2025/26 Annual Plan, it is now expected that the full budget for seal extensions will remain in effect. This allows the roads in the table below to be progressed to construction in 2025/26. Assuming no further changes occur to the 2026/27 Annual Plan, additional roads as listed will be constructed.

The transport team is preparing to deliver this work promptly in the 2025/26 season. This will also provide contractors with some early certainty of work, where the current effects of a reduced capital programme are showing.

RANK	Road Name	Location	Construction Year
3	THORNTON HALL ROAD	RP 1.0 to 1.4km	2025/26
4	MATAHI VALLEY ROAD	RP 8.4 to 8.6km	2025/26
5	NO 1 ROAD*	Full Length	2026/27
6	MATAHI VALLEY ROAD	RP 6.3 to 6.9km	2025/26
8	MATAHI VALLEY ROAD	RP 8.8 to 9.3km	2025/26
10	MATAHI VALLEY ROAD	RP 7.6 to 8.2km	2025/26
11	KOTORENUI ROAD	RP 1.1 to 1.3km	2026/27
12	WITHY ROAD	RP 1.6 to 2.4km	2026/27
*No 1 Road has been pushed to 26/27 to enable all Matahi Valley Road sections to be completed in the same year. This move has been agreed in consultation with Te Uru Taumata.			

Note: The roads ranked 1, 2, 7, and 9 have already been completed in the 2021/24 period. Due to the further segmentation of roads that has occurred as part of the three yearly Seal Extension Policy review, minor changes to the original priority list occurred.

Council's Transport and Communications team are working to update the information on the Seal Extension webpage to reflect the recent review and progress made to date.

<https://www.whakatane.govt.nz/about-council/council-projects/seal-extension-policy>

Most roads that have been or are ranked high for seal extensions are as a result of existing characteristics and therefore the local share does not come from development or financial contributions. An exception is Withy Road, which has seen a significant amount of development over

8.9 Capex Delivery Update Report – April 2025(Cont.)

the years, contributing to its current ranking in the seal extension prioritisation list. Because of this development, a portion of local share for the Withy Road works can be funded from development and/or financial contributions.

4.1.3. *Natures Road Stage 2 Complete*

The recent works on Natures Road (Old State Highway 38 – Special Purpose Roads Ruatāhuna and Waikaremoana) has reached completion. This saw over 18.5km of unsealed road treated with Tall Oil Pitch (TOP). The Whakatāne District Council's Transport Team also worked with the Natures Road team to arrange for the installation of 2.8km of new guard rail along the road.

The project now moves into its maintenance and monitoring period, to increase the understanding of how this product performs long term and enable the broader benefits and outcomes. More detailed information can be found on NZTA's website: <https://nzta.govt.nz/projects/sh38-natures-road/>

4.2. *Three Waters*

The main capital projects that are underway and or completed are:

4.2.1. *Otumahi Water Storage*

The new reservoir structure is complete, with the connection pipe work fabricated and control valves having been purchased. Commissioning of the complete reservoir, rising and falling mains and interconnecting control system is due to be completed by the end of June 2025.

4.2.2. *Otumahi Reservoir Pipeline*

The pipeline project involves the construction of the rising and falling main that connects the Ōtūmahi Water Treatment Plant to the reservoir. This essential upgrade will enhance the efficiency and reliability of the water supply system. The project is currently underway and is set for completion by June 2025.

8.9 Capex Delivery Update Report – April 2025(Cont.)**4.2.3. Watermain renewals**

We are leveraging the supplier panel approach to streamline procurement, creating efficiencies in awarding work and completing planned renewals. The first package, which includes the watermain renewal in James Street and three other streets, has been awarded to the winning contractor in the panel, Draintech (2018) Ltd. The panel has also been renewed for another 3–4 years and now includes four contractors.

4.2.4. Backflow Prevention Devices Installation Project

The project is progressing well, with a panel of four contractors now established. Trial installations of RPZ-type devices have been completed for more than half of the identified high-hazard properties. The installation of the remaining high-hazard devices, along with those for medium-hazard properties, will commence soon. This initiative ensures improved protection of the water supply from potential contamination risks.

8.9 Capex Delivery Update Report – April 2025(Cont.)**4.2.5. Otumahi and Johnson Road Ultraviolet Systems**

Ultraviolet systems are being installed at the Otumahi and Johnson Road water treatment plants for protozoa treatment and compliance.



Fabricated stainless steel pipework sections and the two UV systems have been test assembled at the contractor's workshop in preparation for installation at the Paul Road/Otumahi Water Treatment Plant.

8.9 Capex Delivery Update Report – April 2025(Cont.)

Three “Cyclone” separators with fabricated pipe work have been delivered for installation at the Otumahi WTP.

Design works for the fabrication of pipe sections and fittings have been completed for installation of the UV system for Johnson Road WTP.

Both of these upgrades will be completed by the end of June and will see the plants able to achieve compliance with the NZ Drinking Water Quality Assurance Rules for protozoa treatment.

4.2.6. *James St/Riverside Drive Stormwater Improvement Project*

The project is nearly complete, addressing long-standing flooding and ponding issues at the intersection during heavy rain. The upgrade includes larger-diameter pipes, a mega pit, and a large manhole to improve drainage capacity. With the stormwater infrastructure completed, road reinstatement is now underway.

8.9 Capex Delivery Update Report – April 2025(Cont.)**4.2.7. *Hinemoa Street/Henderson Street stormwater upgrade***

The stormwater upgrade is progressing with the installation of steel mechanical pipework, check valves, and large DN1000 PE pipework having been installed through the stopbank. The reinstatement of the concrete floodwall is nearly finished. However, quality concerns have been identified in the concrete roof slab of the newly poured pump station structure. Investigations are underway to assess the extent of the issues and determine the necessary corrective actions for the contractor. As a result, project completion has been delayed, with the expected finish now anticipated in June 2025.



8.9 Capex Delivery Update Report – April 2025(Cont.)**4.2.8. *The Ōhope Wastewater oxidation ponds***

In December last year, Kiwi Waste removed 420 tonnes of sludge from Pond 1 of the Ōhope oxidation pond. A post-removal survey revealed that an additional 500 tonnes still needed to be cleared. Funding from next year's budget was brought forward and Kiwi Waste resumed desludging on 17 March 2025 and expects to finish by the end of June.

**4.2.9. *Equalised Wastewater Valve Chamber Renewals***

Five wastewater pump station valve chambers in Ōhope and Coastlands were found to be in poor condition, with significant deterioration of steel pipework and fittings, posing a high risk of leaks, odour, and safety issues. Drawing on their expertise from the successful valve chamber installation during the Ferry Rd Pump Station upgrade, Draintech is addressing these at-risk sites. Pump Stations 12 and 16 on Harbour Road in Ōhope, along with Fishermans Drive in Coastlands, have been completed. The remaining two stations in Ōhope (Pohutukawa Ave and Harbour Road) are scheduled for completion by May 2025.

8.9 Capex Delivery Update Report – April 2025(Cont.)

The delivery of works can see disruption from competing demands on contractors and is a result of a small pool of specialist providers who are delivering on many projects. Some of these work alongside other contractors, meaning any slight variation to one contractor's programme resulting in holdups for others. It also means many projects are underway in parallel. In saying that, many multi-year projects are underway.

The cleanup from the flooding and debris flow from the storm event in early February that choked the Waitepuru and Awatariki sediment traps is substantially completed. Negotiations are underway with Railcorp and the Highway contractor, Higgins, for works associated with the respective assets under their control.

5. Options Analysis - *Ngā Kōwhiringa*

There are no options as this is an information report.

6. Significance and Engagement Assessment - Aromatawai Pāhekoheko

6.1. Assessment of Significance

The decisions and matters of this report are assessed to be of low significance, in accordance with the Council's Significance and Engagement Policy.

6.2. Engagement and Community Views

Engagement on this matter is not being undertaken in accordance with Section 6.0 of the Council's Significance and Engagement Policy. This states that the Council will not consult when:

- the matter is not of a nature or significance that requires public engagement (low significance).
- the matter has already been addressed by the Council's policies or plans, which have previously been consulted on. The projects have been proposed and agreed through the development of the Long term Plan.

Infrastructure and Planning Committee - AGENDA

8.9 Capex Delivery Update Report – April 2025(Cont.)**7. Considerations - *Whai Whakaaro*****7.1. Strategic Alignment**

No inconsistencies with any of the Council's policies or plans have been identified in relation to this report, other than inconsistency of delivery of some projects against the LTP programme of work.

7.2. Legal

Many of the capital projects have alignment with compliance requirements.

7.3. Financial/Budget Considerations

There is no budget considerations associated with the recommendations of this report.

7.4. Climate Change Assessment

Goal	Matters to consider	Comments	Impact Assessment
1	The likely impacts (flood, drought, storms, sea level rise, etc.) of climate change in the Eastern Bay of Plenty on the matters of this report.	Some projects are intended to improve resilience to natural hazard risks	<i>Medium</i>
	The matters of this report's reduction on the effect of climate related impacts (flood, drought, storm, sea level etc.).	Capital works can reduce the effects of climate related impacts through design	<i>Medium</i>
2	Options for lowering greenhouse gas emissions have been specifically considered in relation to the matters of the report, including: <ul style="list-style-type: none"> • Energy efficiency / renewable energy, • Resource usage, • Waste/Whole of Life, and • Fossil fuel usage. 	Some Three Waters projects seek to be more efficient in terms of <u>energy use in particular</u> .	<i>Low to Medium</i>
	Key emission sources, and (if possible) calculation of the greenhouse gas emissions for matters of report/project.	Wastewater ponds, vehicle use associated with capital delivery	<i>Low</i>
	Opportunities to address inequities or disadvantages due to climate change considered in relation to the matters of the report.		<i>Low</i>
3	Impacts upon the district's biodiversity.		<i>Low</i>
	Matters that increase resilience to climate change for Council and/or our communities.		<i>Medium</i>
Summary: Many of the capital works projects are intended to increase resilience to natural hazards and/or mitigate risk.			
Overall Analysis: The decisions and matters in this report are assessed for their impact on greenhouse gas emissions and climate change effects, which are categorised as moderate .			

- Risks
- Design and planning delays
- Cost escalations

8.9.1 Appendix A - Summary of Capital Works Programme

- Contractor availability
- Procurement processes being fair and equitable to all
- Unanticipated compliance costs
- Weather or other delays

These risks are mitigated through strong Project Management practices, ensuring the project is well scoped and planned, and budgeted. This includes planning for the necessary engagement and consenting processes. Risks around procurement are managed through adhering to our Procurement Manual and skilled staff with expertise in procurement and tender processes. The EPMO (and infrastructure PMO) will eventually provide the framework to better manage risks with our capital delivery programme.

Attached to this Report:

- Appendix A – Summary of Capital Works Programme

8.9.1 Appendix A - Summary of Capital Works Programme

8.9.1 Appendix A - Summary of Capital Works Programme(Cont.)**Appendix A – Summary of Capital Works Programme****Rationale for Assessment**

For each capital project that is being delivered through the Transportation or Three Waters teams, we have assessed each project to understand the status of the following key components of the project:

- Project scope
- Schedule
- Finances
- Risk

An assessment was carried out to determine the status of key components of successful project delivery and a Red/Amber/Green status was assigned. This review is carried out monthly and updated monthly by activity managers and the General Manager as appropriate.

The Red/Amber/Green assessment uses the following criteria:

Red	Significant issues or delays / No plan in place / Immediate action required
Amber	Significant issues – plan in place to address, or Moderate issues which are manageable
Green	No issues / Clear plan in place / On Track

Red Flag Projects

As highlighted, there are some projects which require additional focus in order to get the projects back on track for successful delivery. The Table below contains details of the proposed ‘Go to Green’ plans for all red flags identified.

On Track Potential issues : Some corrective actions may be needed Significant issues or delays; immediate action required

Activity	Project Name	Budget	Scope	Schedule	Financial	Issue	Go to Green Plan
Water	Murupara Treatment upgrades	\$2,834,147					<p>This project is dependent on high engagement with Te Runanga o Ngāti Manawa and the wider community. We will re-engage with Ngāti Manawa now the new Chief Executive is in place. The aim is to restart updated engagement discussions by mid-2025.</p> <p>Propose to re-forecast delivery for 25/26 to allow this engagement to occur.</p>
Water	Rūātoki Water Treatment	\$1,355,005					<p>This project requires a new bore site to be found. This has led to discussions with several landowners, and liaison with Te Uru Taumatua to facilitate those conversations. To date we have completed four test bores.</p> <p>Based on delays and multiple trials, we do not expect to deliver this project in this financial year.</p>

See below for a list of active projects (excluding RED flags) for both 3 Waters and Transport.

[illegible]

Infrastructure and Planning Committee - AGENDA

8.9.1 Appendix A - Summary of Capital Works Programme(Cont.)

Transport	Footpath Renewals	\$355,000				Reduced funding may affect LoS
Transport	Structures Renewals	\$349,269				Herepuru Road underway
Transport	NFA Smith Road New Bridge	\$299,069				Complete
Transport	Unsealed Metalling SPR	\$256,344				Reduced funding may affect LoS
Transport	Drainage- Culverts LR	\$249,936				On target
Transport	Resurfacing - Chipseal SPR	\$245,663				Reduced funding may affect LoS
Transport	Rehab Improvements - LCLR	\$200,000				On target
Transport	Traffic Service- Signs LR	\$173,033				Ongoing
Transport	Red Deavon curves Design	\$150,000				Design nearing completion
Transport	Drainage - Culverts SPR	\$143,126				Reduced funding may affect LoS
Transport	Structures- Bridges LR	\$136,717				On target
Transport	Bridge / Arawa Design	\$100,000				IPC Report in this agenda
Transport	Bridge and structures renewals - Retaining SPR	\$53,405				Reduced funding may affect LoS
Transport	Blue Rock Quarry design	\$50,000				Design nearing completion
Transport	Safety & Access - LCLR	\$50,000				Reactive works as a result of reduced funding
Transport	Goulstone Road Crossings	\$50,000				IPC report in this agenda
Water	Otumahi Water Storage	\$4,896,626				Reservoir complete
Stormwater	Western Catchment Upgrade	\$2,617,955				Hinemoa/ Henerson Street upgrade due for completion in June 2025
Stormwater	SW Pump Replacements	\$2,748,128				Hinemoa/Henderson pump station (underway) and Rose Gardens stormwater pump station (design stage)
Water	Otumahi Water Storage Pipes	\$3,880,000				Works well advanced. To be completed June 2025

Infrastructure and Planning Committee - AGENDA

8.9.1 Appendix A - Summary of Capital Works Programme(Cont.)

Water	Equalised Water Network Renewals	\$2,722,408				Underway after delay. Projected to be completed next financial year.
Water	Plains Water Backflow Preventors	\$1,267,017				Underway. 2 year project
Wastewater	Equalised Sewer Network Renewals	\$1,446,774				New valve pits and valves 70% completed. Minor over expenditure expected due to scope creep
Water	Whakatane Water Backflow Preventors	\$681,383				2 year project
Stormwater	Apanui Linear Park	\$300,000				Complete, but silt removal from Pyne St pipe required
Wastewater	Whakatane Upgrade Wastewater Treatment Plant	\$426,288				Ferry Road sewage pump completed. 2 aerators to be installed in Whakatāne oxidation ponds in April
Stormwater	Whakatāne Stormwater pipes upgrade	\$649,013				James Street substantially completed
Wastewater	Whakatane Wastewater Rising main renewal	\$575,254				All works completed (portion of Ferry Road PS works)
Wastewater	Edgumbe Wastewater Relining	\$398,890				Works 90% complete
Wastewater	Ōhope WWTP renewal & upgrade	\$213,209				Stage 1 desludging completed. Stage 2 funding approved, works underway.
Wastewater	Edgumbe Wastewater Rising main renewal	\$158,835				Works completed
Water	Whakatane Water Treatment Plant Upgrade	\$271,950				Pipe work and valving completed before transport to site. Target to complete before May
Stormwater	Reactive Emergency Stormwater Renewals	\$266,511	n/a – Reactive funds			
Wastewater	Reactive Wastewater emergency renewals	\$266,511	n/a – Reactive funds			
Wastewater	Murupara Sewer Manhole Renew/Upgrade	\$254,260				Part of relining project, 70 % complete

Infrastructure and Planning Committee - AGENDA

8.9.1 Appendix A - Summary of Capital Works Programme(Cont.)

Water	Tāneatua Water Treatment Plant Access Track	\$50,000				Works completed
Water	Equalised Water Network Upgrade	\$238,081				Underway after delay. Projected to be completed next financial year (2 year project).
Water	Murupara Water Network Renewals	\$228,438				In design. 2 year project combined with next year budget
Water	Headworks - Otumahi	\$218,786				All materials procured. Install to be completed in June
Water	Matata Water Meters	\$208,330				Procurement and comms underway
Water	Plains Water Mains Renewals	\$190,365				Ongoing project. Final scoping will combine this year's budget with next years, for delivery next year.
Water	Whakatane Water Safety Plans	\$163,170				Works underway
Water	Whakatane Water Model	\$67,411				Substantially completed
Stormwater	Ōhope Stormwater Upgrades	\$137,854				Res. Consent approved. Works procured
Wastewater	Murupara Wastewater Pipe manholes	\$129,272				Combined with relining project, 70% completed
Wastewater	Equalised Pump Station Renewals	\$118,026				Awaiting delivery of new pump for McAlister Street.
Water	Provisional water reactive 'emergency' renewal (EQ Scheme)	\$108,780	n/a – Reactive funds 90% fund spent to date			
Water	Provisional water reactive 'emergency' renewal (Plains)	\$108,780	n/a – Reactive funds 1% funds spent to date			
Wastewater	Whakatane Wastewater model	\$35,000				Revising scope to meet budget
Stormwater	Electrical & Minor replacement	\$70,000				Rose Garden pump station
Water	Whakatane water losses/Leak detect	\$71,577				Works underway
Wastewater	Pumpstation Pohutu	\$71,536				Awaiting import of pump

Infrastructure and Planning Committee - AGENDA

8.9.1 Appendix A - Summary of Capital Works Programme(Cont.)

Wastewater	Equalised Sampling/Cond Assess	\$57,110				20% of budget spent
Stormwater	SW 7 Capt Upd from Compre MGM	\$83,865				Awatapu Jockey Pump purchased, install to do
Stormwater	Tāneatua Stormwater Network Renewals	\$53,302				Works substantially completed

9 Resolution to Exclude the Public - *Whakataunga kia awere te marea***9 Resolution to Exclude the Public - *Whakataunga kia awere te marea***

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

1. Public Excluded Minutes of the meeting of 14 November 2024

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution	When item can be released into public
1.	Public Excluded Minutes of the meeting of 14 November 2024	Good reason to withhold exists under Section 7.	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)	Upon Chief Executive approval for release

This resolution is made in reliance on sections 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No	Interest
1	To enable the Council to carry out, without prejudice or disadvantage, commercial activities (Schedule 7(2)(h))

9 Resolution to Exclude the Public - *Whakataunga kia awere te marea*(Cont.)

1 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

1 Confirmation of Minutes - *Te whakaaetanga o ngā meneti o te hui*

1.1 Minutes PX - Infrastructure and Planning Committee 14 November 2024